POLK COUNTY, GEORGIA

FINANCIAL STATEMENTS AND REQUIRED SUPPLEMENTAL INFORMATION

For The Year Ended June 30, 2015

Polk County, Georgia
Annual Financial Report
June 30, 2015

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Polk County, Georgia
Cedartown, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Polk County, Georgia as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Polk County Board of Health, which represents 8.9%, -49.5%, 80% respectively of the assets and deferred outflows of resources, net position, and revenues of the aggregate discretely presented component units. Those financial statements as of June 30, 2015, were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Polk County Board of Health discretely presented unit, is based on the report of the other auditors We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Polk County, Georgia as of June 30, 2015, and the respective changes in financial position and where applicable cash flows thereof, for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed In Notes 3-K and 4-H , the County implemented Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27, as well as Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68, as of July 1, 2014. These standards significantly changed the accounting for the County's net pension liability and the related disclosures. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual General Fund, and Emergency Telephone Fund, the Schedule of the Net Pension Liability, the Schedule of County Contributions and the schedule of funding progress - OPEB be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements as a whole. The General Fund comparative statements and schedule and the major capital project funds comparative balance sheets and schedules of revenues, expenditures and changes in fund balance – project budget and actual and the combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The statements and schedules referenced herein are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the financial statements themselves, and other additional procedures in accordance with

auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards,* we have also issued our report dated December 29, 2015 on our consideration of Polk County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Polk County, Georgia's internal control over financial reporting and compliance.

Lawrence, Serr & Bowers

Conyers, Georgia
December 29, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis (MD&A) is a narrative introduction, overview and analysis of the Basic financial statements prepared by the Finance Director.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of Polk County's (the County) annual financial report, the County's management is pleased to provide this narrative discussion and analysis of the financial activities of the County for the fiscal year ended June 30, 2015. The County's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Financial Highlights

- The County's assets exceeded its liabilities and deferred inflows of resources by $48,753,513 (total net position) as of June 30, 2015

- Total net position are comprised of the following:

  (1) Net investment in capital assets, of $33,027,446 include property and equipment, net of accumulated depreciation.
  (2) Net position of $6,555,505 restricted by constraints imposed from outside the County such as debt covenants, grantors, laws, or regulations.
  (3) Unrestricted net position of $9,170,562 represent the portion available to maintain the County's continuing obligations to citizens and creditors.

- The County's governmental funds reported total ending fund balance of $ 14,502,421 (which includes some deficits) at June 30, 2015. This compares to the prior year ending fund balance of $12,483,529 showing an increase of $2,018,892 during the current year. Unassigned fund balance of $7,093,240 at June 30, 2015 shows a $ 834,708 increase from the prior year amount at June 30, 2014.

- At the end of the current fiscal year, unassigned fund balance for the General Fund was $7,567,083 or 39.5% of total General Fund expenditures

- Overall, the County continues to maintain an adequate financial position, in spite of a somewhat slow growth economy.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the County's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The County also includes in this report additional information to supplement the basic financial statements. Comparative data is presented to allow comparison to the prior fiscal year.

Government-wide Financial Statements

The County's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the County's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Position.* This is the government-wide statement of position presenting information that includes all of the County's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as *net position.* Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County as a whole is improving or deteriorating. Evaluation of the overall health of the County would

extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of County infrastructure, in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities, which* reports how the County's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid.

An important purpose of the design of the statement of activities is to show the financial reliance of the County's distinct activities or functions on revenues provided by the County's taxpayers.

Both government-wide financial statements distinguish governmental activities of the County that are principally supported by taxes and from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, judicial, public safety, public works, planning and community development, health and welfare, culture and recreation and sanitation. Business-type activities include the landfill operations.

The government-wide financial statements are presented on pages 16 and 17 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The County uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the County's most significant funds rather than the County as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report.

The County has three kinds of funds:

Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the County's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 18-21 of this report.

Individual fund information for non-major governmental funds is found in combining statements in a later section of this report.

Proprietary funds are reported in the fund financial statements and generally report services for which the County charges customers a fee. The sole County proprietary fund is classified as an enterprise fund. This enterprise fund essentially encompasses the same functions reported as business-type activities in the government-wide statements. Services are provided to customers external to the County organization for solid waste services.

The basic enterprise fund financial statements are presented on pages 22-25 of this report.

***Fiduciary* funds** .(i.e., the agency funds) are reported in the fiduciary fund financial statements, but are excluded from the government-wide reporting. Fiduciary fund financial statements report resources that are not available to fund County programs. These funds are used primarily by the County's constitutional officers.

The basic fiduciary fund financial statement is presented on page 26 of this report.

Notes to the Basic Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 29 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's budget presentations and selected pension information. Budgetary comparison statements are included as "required supplementary information" for the general fund, and the emergency telephone special revenue fund. Budgetary comparison schedules for all other governmental funds can be found in a later section of this report. This section also provides information regarding the funding progress that the County is making towards their employees' pension plan as well as information regarding the County's contributions. The required supplementary information is presented beginning on page 66.

Other Supplementary Information

These statements and schedules demonstrate compliance with the County's adopted and final revised budget. As discussed, the County reports major funds in the basic financial statements. Combining and individual statements and schedules for nonmajor funds are presented in a subsequent section of this report beginning on page 71.

Financial Analysis of the County as a Whole

Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net position may be observed and used to discuss the changing financial position of the County as a whole.

The County's net combined (government and business-type activities) assets at fiscal year-end are $48,753,513. By far the largest portion of the County's net position reflects its investment in capital assets (e.g., infrastructure, land, buildings machinery, equipment and vehicles); less any related debt used to acquire those assets that is still outstanding. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending.

The following table provides a summary of the County's net position:

Summary of Net Position

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Assets:						
Current assets	$ 17,347,969	$ 16,094,726	$ 8,059,290	$ 6,910,823	25,407,259	$ 23,005,549
Restricted assets	-	-	2,371,842	2,207,004	2,371,842	2,207,004
Capital assets	32,856,339	32,407,550	171,107	183,411	33,027,446	32,590,961
Total assets	**50,204,308**	**48,502,276**	**10,602,239**	**9,301,238**	**60,806,547**	**57,803,514**
Deferred outflows of resources	354,648					
Liabilities:						
Current liabilities	2,346,705	2,308,990	7,939	12,626	2,354,644	2,321,616
Long-term liabilities	6,859,155	5,705,475	3,033,490	3,040,765	9,892,645	8,746,240
Total liabilities	**9,205,860**	**8,014,465**	**3,041,429**	**3,053,391**	**12,247,289**	**11,067,856**
Deferred inflows of resources	**160,393**	**556,837**	-	-	**160,393**	**556,837**
Net position:						
Invested in capital assets	32,856,339	32,406,959	171,107	183,411	33,027,446	32,590,370
Restricted	6,555,505	5,135,122	-	-	6,555,505	5,135,122
Unrestricted	1,780,859	2,388,893	7,389,703	6,064,436	9,170,562	8,453,329
Total net position	**$ 41,192,703**	**$ 39,930,974**	**$ 7,560,810**	**$ 6,247,847**	**48,753,513**	**$ 46,178,821**

Current assets in governmental activities increased 7.79% while business-type activities increased 16.62% in fiscal year June 30, 2015. Cash and cash equivalents (excluding restricted cash in the landfill fund) increased $3,132,322 which is due to the improved cash position in the General Fund, 2014 SPLOST Fund and the Landfill Fund.

The County continues to maintain a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 7.4 to 1. This ratio is more than adequate. The ratio for the landfill fund has not been calculated, since it basically has only a significant current assets and limited current liabilities.

The County reported positive balances in net position for both governmental and business-type activities. Net position increased $1,616,896 for governmental activities and increased by $1,312,963 for business-type activities. Of this increase in governmental net position, the major contributor was a decrease in expenses and an increase in transfers in.

Note that approximately 80% of the governmental activities' net positions are tied up in capital assets. The County uses these capital assets to provide services to its citizens. Combining governmental activities with business type activities, the County has invested approximately 68 % of its total assets in capital assets, as presented in the government-wide statement of net position.

The following table provides a summary of the County's changes in net position for the past two fiscal years:

Summary of Changes in Net Assets

	Governmental Activities		Business-type Activities		Total	
Revenues:	2015	2014	2015	2014	2015	2013
Program:						
Charges for services	$ 3,189,675	$ 2,854,018	$ 1,606,396	$ 1,547,796	$ 4,796,071	$ 4,401,814
Operating grants	282,817	291,429	-	-	282,817	291,429
Capital grants	955,423	1,206,363	-	-	955,423	1,206,363
General:						
Property taxes	11,248,482	11,068,532	-	-	11,248,482	11,068,532
Sales taxes	6,924,533	7,141,170	-	-	6,924,533	7,141,170
Other taxes	1,826,038	1,718,547	-	-	1,826,038	1,718,547
Other	615,539	699,043	5,218	2,372	620,757	701,415
Total revenues	**25,042,507**	**24,979,102**	**1,611,614**	**1,550,168**	**26,654,121**	**26,529,270**
Program Expenses:						
General government	4,743,161	4,035,145	-	-	4,743,161	4,035,145
Judicial	2,726,933	2,660,691	-	-	2,726,933	2,660,691
Public safety	10,321,260	10,140,329	-	-	10,321,260	10,140,329
Public works	3,377,660	4,343,478	-	-	3,377,660	4,343,478
Planning/community development	928,717	2,660,391	-	-	928,717	2,660,391
Health and welfare	333,746	333,863	-	-	333,746	333,863
Culture and recreation	434,070	399,160	-	-	434,070	399,160
Sanitation	870,514	504,299	-	-	870,514	504,299
Interest	16,157	4,970	-	-	16,157	4,970
Solid waste	-	-	(27,956)	64,216	(27,956)	64,216
Total expenses	**23,752,218**	**25,082,326**	**(27,956)**	**64,216**	**23,724,262**	**25,146,542**
Increase (decrease) in net position before transfers	1,290,289	(103,224)	1,639,570	1,485,952	2,929,859	1,382,728
Transfers	326,607	-	(326,607)	-	-	-
Increase (decrease) in net position	**1,616,896**	**(103,224)**	**1,312,963**	**1,485,952**	**2,929,859**	**1,382,728**
Beginning net position, restated	**39,575,807**	**40,034,198**	**6,247,847**	**4,761,895**	**45,823,654**	**44,796,093**
Ending net position	**$ 41,192,703**	**$ 39,930,974**	**$ 7,560,810**	**$ 6,247,847**	**$ 48,753,513**	**$ 46,178,821**

GOVERNMENTAL REVENUES

The County is heavily reliant on property and sales taxes to support governmental operations. Property taxes provided 44.9% of the County's total governmental revenues and sales taxes provided 27.7% of the County's total governmental revenues as compared to 44.3% and 28.6% respectively for the prior year. Because of the County's healthy financial position, we have been able to earn $7,980 in interest earnings to support governmental activities, even in this period of very low yield rates. Also, note that program revenues cover only 18.6% of governmental operating expenses. This means that the government's taxpayers and the County's other general governmental revenues fund 81.4% of the governmental activities. As a result, the general economy and the county businesses have a major impact on the County's revenue streams.

GOVERNMENTAL FUNCTIONAL EXPENSES

The public safety function makes up approximately $10.3 million or 43.4% of total governmental activities expenses. Public works totals approximately $3.4million or 14.23 % of total governmental expenses.

This table presents the cost of each of the County's programs, including the net costs (i.e., total cost less revenues generated by the activities). The net costs illustrate the financial burden that was placed on the County's taxpayers by each of these functions.

Governmental Activities

	Total Cost of Services	Percentage of Total	Net Cost of Services	Percentage of Total
General government	$ 4,743,161	20.0%	$ 4,235,707	21.9%
Judicial	2,726,933	11.5%	1,395,353	7.2%
Public safety	10,321,260	43.5%	8,995,619	46.6%
Public works	3,377,660	14.2%	2,422,237	12.5%
Planning/community development	928,717	3.9%	620,900	3.2%
Health and welfare	333,746	1.4%	333,746	1.7%
Culture and recreation	434,070	1.8%	434,070	2.2%
Sanitation	870,514	3.7%	870,514	4.5%
Interest and fiscal costs	16,157	0.1%	16,157	0.1%
Total	**$ 23,752,218**	**100.0%**	**$ 19,324,303**	**100.0%**

After reducing gross expenses by program revenues, public safety still exceeds 46.5% of costs. As indicated in the table, total cost and net costs do not differ substantially by percentage for each function.

BUSINESS-TYPE ACTIVITIES
Revenues vs. Costs

The major enterprise fund is the County's solid waste management program. The operating revenues for the solid waste management fund were 3.8% more than 2014 and operating expenses approximately $92,172 less than 2014, as result of changes in the post-care closure costs for the closed Highway 278 landfill.. On February 26, 2002, the County entered into an agreement with a private contractor to operate our landfill facility. As a result, we do not receive landfill-tipping fees and operating expenses as nominal.

Financial Analysis of the County's Funds

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of $14,502,421 compared to $12,483,529 in 2014. The General Fund increased its fund balance by $515,131 during the fiscal year. Of this year-end total, $7,567,083 is unassigned indicating availability for continuing County service requirements. However, $847,776 of this fund balance is classified as nonspendable i.e. set aside for prepaid items, inventory and advances to other funds. The following amounts in the other County funds are restricted for 1) capital projects ($5,904,381) and other program purposes ($651,124). The balance of $5,900 is assigned for Sheriff special projects.

The total ending fund balances of governmental funds show an increase of $2,018,892 or 16.2% of the prior year's total. This increase relates primarily to an increase in unspent 2014 SPLOST funds, and General Fund excess of revenues over expenditures.

Major Governmental Funds

The **General Fund** is the County's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance increased by $515,131 or 6.52%. The ending unassigned fund balance is considered adequate, representing 39.5% of annual expenditures. This compared to 38.6% of annual expenditures at June 30, 2014. This is a positive indicator for the County which exceeds the benchmark of 10-25% that is generally recognizes as being adequate

As indicated earlier, the two major tax revenues are property taxes and sales taxes. General property taxes increased by $322,964 or 3.46 %. This is partially due to a stable tax digest with the County M&O millage rate increasing .27 mills over 2014. Also, general property taxes receivable was less by $116,880 over 2014 due principally to increased collection efforts by the tax commissioner. Because of the 60 day revenue recognition rule implemented by the County under the modified accrual basis of accounting deferred taxes decreased $127,662 due to the reduction in taxes receivable. Taxes for motor vehicles and mobile homes decreased $7,235 or .49% or a deminimis amount. .

Local Option Sales Tax (LOST) decreased by $76,419 or 3.08%. Real estate transfer taxes increased less than 1%... Intangible taxes decreased $10,861 or 11.27 %. Insurance premium taxes increased $79,242 or 6.36%.

In 2015, licenses and permits were $11,836 or 14.72% above the prior year. The increase indicates that the trend is still up for occupational and building permits. Building permit revenues held steady for the year when compared to 2014 which reported a substantial increase as a result of homeowners making improvements to their existing homes as opposed to buying a new home.

State, local and federal government revenues were $938,262 more than 2014, which was mainly due to increased road paving revenue recognition due to significant paving projects during the year. Charges for services increased $366,931 or 14.27% primarily due to an increase in prisoner housing fees charged to other governments.

Most other revenue streams were consistent with that of fiscal 2015. In total, the County recognized $1,501,181 or 8.25% over the 2014 total revenues as noted.

Total **General Fund** expenditures for fiscal 2015 increased $1,536,551 or 8.71% from fiscal 2014. Public works expenditures were $960,700 or 42.9% over 2014, due to an increase in paving projects

In total the judicial system expenditures increased $129,258 or 5.23%. The major increase relates to the costs for the Clerk of Superior Court office and the Juvenile Court.

The largest cost center, public safety increased $139,770 or 1.12%. The County police increased $256,443 or 10.80% due to combining the Drug Task Force with the County police. The Drug task force decreased $207,625 due the combining,. as noted. Sheriff department costs increased $139,828 or 3.41% due to promotions and the hiring of additional personnel, and. emergency management increased $29,938. There was also a decrease in costs for the Jail of $28,645. The volunteer fire operations decreased $54,673.

Planning/Community Development decreased $114,557 over 2014 principally due a decrease in Airport improvements funded by a Federal grant.

2014 SPLOST Capital Project Fund - The 2014 Special Purpose Local Option Sales Tax Capital Project Fund is utilized to account for the proceeds of a 1 percent local option sales tax approved March 6, 2012 for a period of time not to exceed six years from July 1, 2014 for the purpose of funding County wide projects

and projects controlled through intergovernmental agreements with the cities of Cedartown, Rockmart and Aragon.

This fund is being spent down, consistent with the approved referendum projects list. In this year, this fund recognized 4,518,997 in sales tax revenue and had investment earnings of $1,255.

The fund expended $275,599 for County projects controlled by the Board of Commissioners and transmitted $2,091,391 to the cities pursuant to the applicable intergovernmental agreements.

At June 30, 2015, the fund balance was $2,153,262 which is the initial year.

2008 SPLOST Capital Project Fund - The 2008 Special Purpose Local Option Sales Tax Capital Project Fund is utilized to account for the proceeds of a 1 percent local option sales tax approved November 6, 2007 for a period of time not to exceed six years for the purpose of funding County wide recreation, paving and bridge improvements, equipment and facilities for public safety, public health equipment and facilities, public welfare improvements, County buildings and facilities, economic development and safety equipment and an intergovernmental agreement with the cities of Cedartown, Rockmart and Aragon.

This fund is being spent down, consistent with the approved referendum projects list. In this year, this fund received no sales tax revenue since the SPLOST 2014 began collections in July 2014. The fund had investment earnings of $724.

The fund expended $769,998 for County projects controlled by the Board of Commissioners..

At June 30, 2015, the fund balance was $3,749,185 as compared to $4,517,602 at June 30, 2014

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E-911 Special Revenue Fund - To account for funds generated from telephone subscriber surcharge fees for the emergency 911 system.

At June 30, 2015 cash and accounts receivables were $47,664 more than 2015 while accounts payable, accruals and advances due other funds was down $68,596 The fund deficit at June 30, 2015 was $473,843 which is less than the 2014 balance of $556,343.

Charges for services increased $29,871 or 4.50%.

Total expenditures in 2015 were $70,565 or 7.92% more than 2014.

Total governmental expenditures in fiscal 2015 were down $827,105 or 3.40% from fiscal year 2014. General government decreased $13,377 or .41%. Judicial increased $112,475 or 4.41%. Public safety decreased $372,452 or 3.82% due to the items discussed above applicable to the general fund and less equipment purchased in the 2008 SPLOST Fund. Public works increased $541,997 or 16.93% primarily due to more paving projects and ???? culvert installations funded by the 2008 SPLOST fund. Planning/Community development decreased $1,365,848 principally due to decreased contributions to the Development Authority for employment growth, which was a onetime infusion in 2014.

The Proprietary Funds

The proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. Therefore, the analysis is presented above.

General Fund Budgetary Highlights

The General Fund – The total general fund revenue budget (excluding other financing sources) was amended upwards by $1,769,188 or 10.02%. The General Property tax budget was amended upward $607,500 but the final revenue was still over budget by $66,937. Auto ad valorem and mobile home tax was amended upward $373,000 as result of more information regarding the new automobile title tax. Sales taxes

were adjusted downward by $250,000 due to a more stabilized sales environment, with the actual revenue being over the budget by $5,536.

Other financing sources (uses) had a positive variance of $327,597 as a result of a unbudgeted transfer in from the landfill fund of $329,607.

Insurance premium tax was $75,435 over budget.

In total, intergovernmental revenue was over the budget by $3,640. The budget for the Federal and State revenues was amended upward by $457,950 while actual revenues were $10 over the final budget.

Charges for services were over the final budget by $183,708 primarily as a result of increased airport fuel sales and increased prisoner housing fees.

Courts and Law Enforcement were $13,386 over budget. Investment earnings were $9,562 above budget. Miscellaneous income was $125,191 under budget. In total, the County recognized 101.4% of the final revenue budget.

The General Fund's expenditure budget was decreased $553,812 or 2.82%

The general government function was under spent by $131,156 or 4.07%. The administration department was under spent by $87,304 or 7.37%.

Tax assessor and tax commissioner was under spent by $30,110 or 3.04%.

The public safety budget was under spent by $48,882. The public works budget was under spent by $3,905. Planning/Community Development was under budget by $10,720. Sanitation was overspent by $320,514 which was caused by the purchase of two trucks which were funded by transfers from the solid waste fund.

In total, the County over spent the final expenditure budget by $89,958 or .44%. Because of the slow economic recovery, all departments attempted to minimize their spending.

Capital Assets and Debt Administration

Capital Assets

The County's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of June 30, 2015, was $32,856,339 and $171,107 respectively. The net investment increased 1.38% for governmental and decreased 6.7% for business-type activities. See Note 3-D for additional information about changes in capital assets during the fiscal year and outstanding at the end of the year. The following table provides a summary of capital asset activity.

Capital Assets

	Governmental Activities		Business Activities		Total	
	2015	2014	2015	2014	2015	2014
Non-depreciable assets:						
Land	$ 3,115,756	$ 3,115,756	$ 150,186	$ 150,186	$ 3,265,942	$ 3,265,942
Construction in progress	1,168,377	413,873	-	-	1,168,377	413,873
Total non-depreciable	**4,284,133**	**3,529,629**	**150,186**	**150,186**	**4,434,319**	**3,679,815**
Depreciable assets:						
Land improvements	2,185,082	1,877,805	-	-	2,185,082	1,877,805
Buildings	20,949,836	20,949,836	-	-	20,949,836	20,949,836
Machinery and equipment	13,841,849	13,937,926	-	-	13,841,849	13,937,926
Infrastructure	34,323,778	34,323,778	-	-	34,323,778	34,323,778
Landfill	-	-	5,122,144	5,122,144	5,122,144	5,122,144
Total depreciable assets	**71,300,545**	**71,089,345**	**5,122,144**	**5,122,144**	**76,422,689**	**76,211,489**
Less accumulated depreciation	42,728,339	42,211,424	5,101,223	5,088,919	47,829,562	47,300,343
Book value - depreciable assets	**28,572,206**	**28,877,921**	**20,921**	**33,225**	**28,593,127**	**28,911,146**
Percentage depreciated	**59.93%**	**59.38%**	**99.59%**	**99.35%**	**62.59%**	**62.06%**
Book value - all assets	**$ 32,856,339**	**$ 32,407,550**	**$ 171,107**	**$ 183,411**	**$ 33,027,446**	**$ 32,590,961**

At June 30, 2015, the depreciable capital assets for governmental activities were 59.93% depreciated. This is slightly above the June 30, 2014 percentage. This comparison indicates that the County is not replacing its assets at the same rate as they are depreciating which is a factor to monitor. However, since almost 62 % of the County's assets are depreciated this is a further indicator that the County needs to work towards replacing its some of its capital assets.

For governmental activities, construction in progress decreased by $1,168,377. The following is a detail of the projects:

Project	Cost
Road Projects	$ 1,031,770
Administration Building	4,900
Public Works Facility	131,707
	$ 1,168,377

Infrastructure increases for road paving and resurfacing are reflected in construction in progress. Machinery and equipment decreased approximately $96,077 after considering sales and scrapped items. Amounts under the threshold limits set by the County are not reflected in these amounts.

With the County's business type activities, 99.6% of the asset values were depreciated at June 30, 2015 compared to 99.35% at June 30, 2014. Since the operations of the landfill are contracted out, this large percentage of depreciated assets is not a significant issue.

Long-term Debt

At the end of the fiscal year, the County installment contracts were retired..
During the year, the County retired $591 or 100.0% of the beginning installment contracts.

Outstanding Borrowings

	Governmental Activities		Business-type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Installment contracts	$ -	$ 591	$ -	$ -	$ -	$ 591
Net pension liability	165,010	133,953			165,010	133,953
OPEB liability	6,311,130	5,358,909	-	-	6,311,130	5,358,909
Landfill closure and post-closure care	-	-	713,701 #	885,814	713,701	885,814
Compensated absences	858,015	771,566	-	-	858,015	771,566
Total	**$ 7,334,155**	**$ 6,265,019**	**$ 713,701**	**$ 885,814**	**$ 8,047,856**	**$ 7,150,833**

The County's last bond rating for the uninsured bonds was "A", but no ratings have been secured in the last 15 years since the County had not issued any general obligation bonds.

See Note 3-I for additional information about the County's long-term debt. We discuss the landfill closure and postclosure care liability in Note 3-G.

Economic Conditions Affecting the County

The overall economic condition for Polk County during this past 2015 *(fiscal year)* did not reflect a notable Improvement over that of recent years. Even though General Fund Revenues for 2015 recorded a 8.25% increase, key economic indicators such as Local Option Sales Tax and Intangible taxes were in decline. This trend was echoed by a significant decline in new Residential Construction Permits issued during 2015 as compared to the number of permits issued during 2014. During 2015 and until economic conditions notably improve; the county will continue to take a very conservative approach toward county finances, regardless of recent economic forecasts suggesting an optimistic upcoming fiscal year.

According to the latest information available, the County's unemployment rate at the close of 2015 was7.6% which was slightly lower than the state and regional average of 7.8%. The 7.6% figure however did reflect a strong decline in the county's unemployment rate of 8.4% recorded at the close of 2013. The breakdown of employment by sector for the county at the close of 2014 was as follows; overall, manufacturing, accounted for approximately 22% of the jobs located in the county. Within manufacturing, 4.2% of the jobs were in construction. Service sector jobs accounted for approximately 60% of the jobs in Polk County... Of the service sector jobs, retail trade accounted for an estimated 13.4%. Government sector jobs reflected 16.7% of the jobs in the county.

In spite of a continued sluggish economy, Polk County Government Leaders and Staff continue to work hard to maintain the level of service provided to the residents in past years. No county jobs have been lost nor has the county had to implement mandatory furloughs as other regional counties have had to implement.

Contacting the County's Financial Management

This financial report is designed to provide a general overview of the County's finances, comply with finance-related laws and regulations, and demonstrate the County's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the County's Finance Director at Polk County Board of Commissioners. P.O. Box 268, Cedartown, GA 30125.

BASIC FINANCIAL STATEMENTS

Polk County, Georgia
Statement of Net Position
June 30, 2015

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Current Assets				
Cash and cash equivalents	$ 14,579,400	$ 7,924,625	$ 22,504,025	$ 1,042,619
Receivables:				
Accounts	185,795	134,665	320,460	-
Property taxes	889,540	-	889,540	-
Intergovernmental	1,479,719	-	1,479,719	91,903
Interest	685	-	685	-
Internal	-	-	-	-
Inventory	72,688	-	72,688	4,657,254
Prepaid items	140,142	-	140,142	-
Restricted Assets	-	2,371,842	2,371,842	-
Capital Assets:				
Nondepreciable capital assets	4,284,133	150,186	4,434,319	-
Depreciable capital assets, net	28,572,206	20,921	28,593,127	-
Total Assets	50,204,308	10,602,239	60,806,547	5,791,776
DEFERRED OUTFLOWS OF RESOURCES				
Pensions	354,648	-	354,648	123,927
Liabilities				
Current Liabilities				
Accounts payable	857,275	2,939	860,214	1,883
Intergovernmental payable	204,703	-	204,703	34,104
Accrued expenses	809,727	-	809,727	3,210
Notes payable	-	-	-	3,833,833
Unearned revenue	-	5,000	5,000	-
Compensated absences payable	475,000	-	475,000	-
Long-Term Liabilities:				
Net pension liability	165,010	-	165,010	839,763
Net OPEB obligation	6,311,130	-	6,311,130	-
Compensated absences payable (net of current portion)	383,015	-	383,015	34,010
Advanced funding - postclosure trust agreement	-	2,319,789	2,319,789	-
Landfill closure and postclosure care costs	-	713,701	713,701	-
Total Liabilities	9,205,860	3,041,429	12,247,289	4,746,803
DEFERRED INFLOWS OF RESOURCES	160,393	-	160,393	132,157
Net Position				
Net investment in capital assets	32,856,339	171,107	33,027,446	-
Restricted for:				
Capital projects	5,904,381	-	5,904,381	-
Public safety	409,513	-	409,513	-
Other purposes	241,611	-	241,611	-
Unrestricted	1,780,859	7,389,703	9,170,562	1,036,743
Total Net Position	$ 41,192,703	$ 7,560,810	$ 48,753,513	$ 1,036,743

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Statement of Activities
For the Year Ended June 30, 2015

Function/Program	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants, Contributions and Interest	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Units
Primary Government								
General government	$ 4,743,161	$ 500,281	$ 7,173	$ -	$ (4,235,707)	$ -	$ (4,235,707)	$ -
Judicial	2,726,933	1,082,060	249,520	-	(1,395,353)	-	(1,395,353)	-
Public safety	10,321,260	1,299,517	26,124	-	(8,995,619)	-	(8,995,619)	-
Public works	3,377,660	-	-	955,423	(2,422,237)	-	(2,422,237)	-
Planning/community development	928,717	307,817	-	-	(620,900)	-	(620,900)	-
Health and welfare	333,746	-	-	-	(333,746)	-	(333,746)	-
Culture and recreation	434,070	-	-	-	(434,070)	-	(434,070)	-
Sanitation	870,514	-	-	-	(870,514)	-	(870,514)	-
Interest	16,157	-	-	-	(16,157)	-	(16,157)	-
Total Governmental Activities	$ 23,752,218	$ 3,189,675	$ 282,817	$ 955,423	(19,324,303)	-	(19,324,303)	-
Business-Type Activities:								
Solid Waste	$ (27,956)	$ 1,606,396	$ -	$ -	-	1,634,352	1,634,352	-
Component Units								
Polk County Health Department	$ 1,147,534	$ 427,637	$ 547,596	$ -				(172,301)
Development Authority of Polk County	262,634	-	-	-				(262,634)
Total - Component Units	$ 1,410,168	$ 427,637	$ 547,596	$ -				(434,935)
		General Revenues						
		General property taxes			11,248,482	-	11,248,482	-
		Recording intangibles			85,521	-	85,521	-
		Real estate transfer taxes			28,568	-	28,568	-
		Alcoholic beverage taxes			121,876	-	121,876	-
		Sales taxes			6,924,533	-	6,924,533	-
		Insurance premium tax			1,325,435	-	1,325,435	-
		Other taxes			264,638	-	264,638	-
		Unrestricted county funding			-	-	-	480,728
		Rents			357,678	-	357,678	-
		Investment earnings			7,980	5,218	13,198	1,622
		Miscellaneous			249,881	-	249,881	616
		Total General Revenues			20,614,592	5,218	20,619,810	482,966
		Transfers			326,607	(326,607)	-	-
		Total General Revenues and Transfers			20,941,199	(321,389)	20,619,810	482,966
		Change in Net Assets			1,616,896	1,312,963	2,929,859	48,031
		Net Assets - Beginning, as restated			39,575,807	6,247,847	45,823,654	988,712
		Net Position - Ending			$ 41,192,703	$ 7,560,810	$ 48,753,513	$ 1,036,743

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Balance Sheet
Governmental Funds
June 30, 2015

	General	2008 SPLOST	2014 SPLOST	E-911 Emergency Telephone Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	$ 8,145,968	$ 3,702,714	$ 1,963,635	$ 114,582	$ 652,501	$ 14,579,400
Receivables			-			
Accounts	89,857	100	-	95,838	-	185,795
Property taxes	889,540	-	-	-	-	889,540
Intergovernmental	1,032,254	46,371	391,287	-	9,807	1,479,719
Interest	685	-	-	-	-	685
Interfund	81	-	-	-	9,234	9,315
Advances	634,946	-	-	-	-	634,946
Inventory	72,688	-	-	-	-	72,688
Prepaid items	140,142	-	-	-	-	140,142
Total Assets	$ 11,006,161	$ 3,749,185	$ 2,354,922	$ 210,420	$ 671,542	$ 17,992,230
LIABILITIES						
Accounts payable	$ 840,423	$ -	$ -	$ 9,254	$ 7,596	$ 857,273
Accrued expenditures	769,666	-	-	40,063	-	809,729
Interfund payable	7,370	-	-	-	1,945	9,315
Advances payable	-	-	-	634,946	-	634,946
Intergovernmental	-	-	201,660		3,043	204,703
Total Liabilities	1,617,459	-	201,660	684,263	12,584	2,515,966
DEFERRED INFLOWS OF RESOURCES	973,843	-	-	-	-	973,843
Fund Balances (Deficits)						
Nonspendable:						
Prepaid items	140,142	-	-	-	-	140,142
Inventory	72,688	-	-	-	-	72,688
Advances to other funds	634,946	-	-		-	634,946
Restricted for:						
Capital projects	-	3,749,185	2,153,262	-	1,934	5,904,381
Public Safety	-	-	-	-	390,469	390,469
Law Library	-	-	-	-	73,769	73,769
Court programs	-	-	-	-	101,459	101,459
Superior Court statewide index program	-	-	-	-	85,427	85,427
Assigned - Sheriff special programs	-	-	-	-	5,900	5,900
Unassigned						
General fund	7,567,083	-	-	-	-	7,567,083
Special revenue funds	-	-	-	(473,843)	-	(473,843)
Total Fund Balances (Deficits)	8,414,859	3,749,185	2,153,262	(473,843)	658,958	14,502,421
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	$ 11,006,161	$ 3,749,185	$ 2,354,922	$ 210,420	$ 671,542	$ 17,992,230

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Reconciliation of Total Governmental Fund Balances to
Net Assets of Governmental Activities
June 30, 2015

Total Governmental Fund Balances		$ 14,502,421
Amounts reported for governmental activities in the statement of net assets are different because:		
Net pension obligation		354,648
Governmental funds report capital outlay as expenditures are different because: However, in the statement of net assets the cost of these assets are capitalized and expensed over their estimated lives through annual depreciation expense.		
Cost of capital assets	$ 75,584,678	
Less accumulated depreciation	(42,728,339)	32,856,339
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Property taxes	822,128	
Other	(8,678)	813,450
Liabilities not due and payable in the current period and therefore are not reported in the funds but are reported at the government-wide financial reporting levels.		
Net pension liability	(165,010)	
Other postemployment benefits	(6,311,130)	
Compensated absences	(858,015)	(7,334,155)
Net Assets Of Governmental Activities		$ 41,192,703

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2015

	General	2008 SPLOST	2014 SPLOST	E-911 Emergency Telephone Fund	Other Governmental Funds	Total Governmental Funds
Revenues						
Taxes	$ 15,607,708	$ -	$ 4,518,997	$ -	$ -	$ 20,126,705
Licenses and permits	92,229	-	-	-	-	92,229
Intergovernmental	1,240,790	-	-	-	-	1,240,790
Charges for services	1,307,608	-	-	694,159	19,747	2,021,514
Courts and Law enforcement	877,261	-	-	-	204,799	1,082,060
Investment earnings and rents	362,562	1,581	1,255	-	261	365,659
Miscellaneous	201,134	-	-	392	35,555	237,081
Total Revenues	19,689,292	1,581	4,520,252	694,551	260,362	25,166,038
Expenditures						
Current:						
General government	3,222,134	4,480	-	-	-	3,226,614
Judicial	2,600,460	-	-	-	60,636	2,661,096
Public safety	7,829,492	163,097	275,599	961,903	160,186	9,390,277
Public works	3,201,095	540,069	-	-	3,124	3,744,288
Planning/community development	805,367	48,709	-	-	-	854,076
Health and welfare	309,663	-	-	-	-	309,663
Culture and recreation	323,419	13,643	-	-	-	337,062
Sanitation	870,514	-	-	-	-	870,514
Intergovernmental	-	-	2,091,391	-	-	2,091,391
Debt Service	16,762	-	-	-	-	16,762
Total Expenditures	19,178,906	769,998	2,366,990	961,903	223,946	23,501,743
Excess (Deficiency) of Revenues Over (Under) Expenditures	510,386	(768,417)	2,153,262	(267,352)	36,416	1,664,295
Other Financing Sources (Uses)						
Sale of capital assets	27,990	-	-	-	-	27,990
Transfers in	326,607	-	-	349,852	30,427	706,886
Transfers out	(349,852)	-	-	-	(30,427)	(380,279)
Total Other Financing Sources (Uses)	4,745	-	-	349,852	-	354,597
Net Change in Fund Balances	515,131	(768,417)	2,153,262	82,500	36,416	2,018,892
Fund Balances Beginning of Year	7,899,728	4,517,602	-	(556,343)	622,542	12,483,529
Fund Balances End of Year	$ 8,414,859	$ 3,749,185	$ 2,153,262	$ (473,843)	$ 658,958	$ 14,502,421

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Changes In Fund Balances - Total Governmental Funds		$ 2,018,892
Amounts reported for governmental activities in the statement of activities are different because		
Deferrrd outflows - pension		323,591
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capitalized capital outlay exceeded depreciation expense in the current period.		
Depreciation expense	$ (1,588,901)	
Capital outlay	2,052,900	463,999
In the statement of activities, a gain or loss on sales, trade-ins, or other dispositions of capital assets is reported, whereas in the governmental funds, the proceeds received from dispositions of capital assets increases financial resources. Thus, the change in net assets differs from the change in fund balance by the net book value of capital assets disposed		(15,210)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Deferred revenues		(136,311)
Elimination of transfers between governmental funds:		
Transfers in	(380,279)	
Transfers out	380,279	-
Other postemployment expenses are reported in the government-wide statement of activities, but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		(952,221)
Interest expense reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Liability @ 6/30/15	-	
Liability @ 6/30/14	14	14
Repayment of general obligation debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		591
Compensated absences reported in the statement of activities, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Liability @ 6/30/15	(858,015)	
Liability @ 6/30/14	771,566	(86,449)
Change In Net Assets of Governmental Activities		$ 1,616,896

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Statement of Net Position
Proprietary Funds
June 30, 2015

	Business-type Activities - Enterprise Fund Solid Waste
Assets	
Current Assets	
Cash and cash equivalents	$ 7,924,625
Receivables:	
Accounts	134,665
Interest	-
Total Current Assets	8,059,290
Noncurrent Assets	
Restricted Assets	
Cash and cash equivalents	2,371,842
Capital Assets	
Land	150,186
Depreciable capital assets, net	20,921
Total Noncurrent Assets	2,542,949
Total Assets	10,602,239
Liabilities	
Current Liabilities	
Interfund payable	-
Deferred revenue	5,000
Total Current Liabilities	7,939
Long-Term Liabilities	
Deferred income - postclosure trust agreement	2,319,789
Landfill closure and postclosure care costs	713,701
Total Long-Term Liabilities	3,033,490
Total Liabilities	3,041,429
Net Position	
Invested in capital assets	171,107
Unrestricted	7,389,703
Total Net Position	$ 7,560,810

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2015

	Business-type Activities - Enterprise Fund Solid Waste
Operating Revenues	
Rental and royalty fees	$ 1,586,621
Recycling sales	19,775
Total Operating Revenues	1,606,396
Operating Expenses	
Operating	(40,260)
Depreciation and amortization	12,304
Total Operating Expenses	(27,956)
Operating Income (Loss)	1,634,352
Non-Operating Revenues (Expenses)	
Investment earnings	5,218
Total Non-Operating Revenues (Expenses)	5,218
Income Before Transfers in (out)	1,639,570
Transfers out	(326,607)
Change in Net Assets	1,312,963
Net Position Beginning of Year	6,247,847
Net Position End of Year	$ 7,560,810

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2015

(continued)

	Business-type Activities - Enterprise Fund Solid Waste
Cash Flows from Operating Activities	
Cash received from customers	$ 1,598,500
Cash payments for goods and services	(136,540)
Net Cash Provided by Operating Activities	1,461,960
Cash Flows from Noncapital Financing Activities	
Transfers in (out) from other funds	(326,607)
Postclosure trust funding by lessee	162,790
Net Cash Provided by (Used in) Noncapital Financing Activities	(163,817)
Cash Flows from Investing Activities	
Investment earnings	10,130
Net Increase in Cash and Cash Equivalents	1,308,273
Cash and Cash Equivalents Beginning of Year	8,988,194
Cash and Cash Equivalents End of Year	$ 10,296,467

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2015

	Business-type Activities - Enterprise Fund Solid Waste
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating Income	$ 1,634,352
Adjustments	
Depreciation and amortization	12,304
(Increase) Decrease in Assets	
Accounts receivable	(7,896)
Increase (Decrease) in Liabilities	
Accounts payable	(4,687)
Net Cash Provided by Operating Activities	$ 1,461,960

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
June 30, 2015

	Agency
Assets	
Cash and cash equivalents	$ 499,045
Receivables	
Accounts	19,272
Property taxes	1,331,236
Total Assets	$ 1,849,553
Liabilities	
Due to others	$ 1,849,553

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Combining Statement of Net Position
Component Units
June 30, 2015

	Polk County Health Department	Development Authority of Polk County	Total
Assets			
Cash and cash equivalents	$ 303,841	$ 738,778	$ 1,042,619
Receivables			
Intergovernmental	91,903	-	91,903
Inventory - Land and Building	-	4,648,479	4,648,479
Inventory - Supplies	8,775	-	8,775
Total Assets	404,519	5,387,257	5,791,776
Deferred Outflows of Resources	123,927	-	123,927
Liabilities			
Notes payable	-	3,833,833	3,833,833
Accounts payable	1,883	-	1,883
Intergovernmental payable	34,104	-	34,104
Accrued expenses	-	3,210	3,210
Net pension liability	839,763	-	839,763
Compensated absences - long-term	34,010	-	34,010
Total Liabilities	909,760	3,837,043	4,746,803
Deferred Inflows of Resources	132,157	-	132,157
Net Position			
Unrestricted	(513,471)	1,550,214	1,036,743
Total Net Position	$ (513,471)	$ 1,550,214	$ 1,036,743

The accompanying notes are an integral part of these financial statements.

POLK COUNTY, GEORGIA
Combining Statement of Activities
Components Units
For the year ended June 30, 2015

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets: Polk County Board of Health	Net (Expense) Revenue and Changes in Net Assets: Development Authority of Polk County	Total
Board of Health	$ 1,147,534	427,637	547,596	(172,301)	$ -	$ (172,301)
Development Authority	262,634	-	-	-	(262,634)	(262,634)
Total component units	$ 1,410,168	$ 427,637	$ 547,596	(172,301)	(262,634)	(434,935)
General revenues:						
Payments from Polk County				197,955	282,773	480,728
Unrestricted investment earnings				200	1,422	1,622
Miscellaneous				-	616	616
Total general revenues				198,155	284,811	482,966
Change in net position				25,854	22,177	48,031
Net assets - beginning- restated				335,807	1,528,037	1,863,844
Prior period adjustment				(875,132)	-	(875,132)
Net assets - beginning - as restated				(539,325)	1,528,037	988,712
Net position - ending				$ (513,471)	$ 1,550,214	$ 1,036,743

The accompanying notes are an integral part of these financial statements.

NOTES TO THE
BASIC FINANCIAL STATEMENTS

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Geographically, Polk County is located in northwestern Georgia approximately 50 miles west of the city limits of Atlanta, with a land area of 311 square miles. The county's population was 41,475 in 2010 as estimated by the U.S. Census Bureau.

Note 1 - Summary of Significant Accounting Policies

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting.
The most significant of the County's accounting policies are described below.

1-A. Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the County consists of all funds, departments, boards and agencies that are not legally separate from the County. For the County, this entity includes the County legal entity and the County's constitutional officers (e.g., the sheriff, the tax commissioner).

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the organization's governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organizations; or (2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the County in that the County approves the budget, levies their taxes or issues their debt.

The County's component units are presented either as "blended" or "discretely presented." When blended, it is reported as if it were a fund of the County throughout the year. It is included at both the government-wide and the fund financial reporting levels.

Discretely presented component units are reported only at the government-wide financial reporting level. The component unit columns included on the government-wide financial statements identifies the financial data of the County's discretely presented component units. They are reported separately to emphasize that they are legally separate from the County.

A brief description of the blended component unit follows:

Polk County Public Purpose Corporation (the Corporation) – the Corporation is governed by a three-member board appointed by County Board of Commissioners. Although it is legally separate from the County (created pursuant to Georgia Law) the Corporation is reported as if it were part of the primary government because its primary purpose was to acquire and construct a rental property and subsequently sell this asset to the County pursuant to an installment agreement that includes annual funding provisions. This entity has been inactive for several years.

The component unit columns included on the government-wide financial statements identify the financial data of the County's discretely presented component units. They are reported separately to emphasize that they are legally separate from the County.

Brief descriptions of the discretely presented component units follow:

Development Authority of Polk County (the Authority) – the Authority is responsible for promoting industrial and commercial development within the County. The members of the Authority's governing board are appointed to staggered terms by the County Board of Commissioners. The Authority is responsible for adopting its own annual budget and making its own operating decisions. However, the County does provide substantial financial support each year and has contractually obligated itself to use its taxing powers to guarantee the repayment of principal and interest on certain bank loans issued by the Authority. The Authority is presented as a governmental fund type. The Authority does not issue separate financial statements.

Polk County Health Department *(the Health Department)* – The Department is responsible for providing environmental and physical health services to the citizens of the County. The governing board of the Department consists of seven members. The Chairman of the Board of Commissioners, Chairman of the Cedartown City Commission, and the Superintendent of the Polk County Board of Education (by virtue of their offices), three members appointed by the County, and one member appointed by City of Cedartown. The County by virtue of its appointments and the presence of the Chairman of the Board of Commissioners on the Board of Health controls a majority of Board of Health governing positions. Although the County does not have the authority to approve or modify the Health Department's operational and capital budget, it does have the ability to control the amount of funding it provides to the Board of Health. Such funding is significant to the overall operations of the Health Department.

Complete financial information of the individual component units can be obtained directly from their administration offices.

Development Authority of Polk County
604 Goodyear Street
Rockmart, Georgia 30153

Polk County Board of Health
Ware Street
Cedartown, Georgia 30125

Polk County Public Purpose Corporation
Cedartown, Georgia

1-B. Basis of Presentation

The County's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements - The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the County as a whole except for fiduciary activities, which are excluded. The primary government and the component units are presented separately within these financial statements with the focus on the primary government. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and grants and County's general revenues, from business-type activities, generally financed in whole or in part with landfill rental/host fees to the landfill operator.

The statement of net position presents the financial position of the governmental and business-type activities of the County and it's discretely presented component unit at year-end.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities and for each identifiable activity of the business-type activities of the County. Direct expenses are those that are

specifically associated with a function and therefore clearly identifiable to that particular function. The County does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the County's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is to which function the revenues are restricted.

Other revenue sources not properly included with program revenues are reported as general revenues of the County. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the County.

Fund Financial Statements - During the year, the County segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. Fund financial statements are provided for governmental, proprietary and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

Major individual governmental and the major enterprise fund are reported in separate columns with composite columns for nonmajor funds.

Fund Accounting - The County uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The County uses three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds - Government funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The County reports the difference between governmental fund assets and liabilities as fund balance. The following are the County's major governmental funds:

The General Fund - The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund's fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of Georgia.

2008 Special Purpose Local Option Sales Tax (SPLOST) - The 2008 Special Purpose Local Option Sales Tax Capital Project Fund is utilized to account for the proceeds of a 1 percent local option sales tax approved November 6, 2007 for a period of time not to exceed six years for the purpose of funding County wide recreation, paving and bridge improvements, equipment and facilities for public safety, public health equipment and facilities, public welfare improvements, County buildings and facilities, economic development and safety equipment and an intergovernmental agreement with the cities of Cedartown, Rockmart and Aragon.

2014 Special Purpose Local Option Sales Tax Capital Project Fund is utilized to account for the proceeds of a 1 percent local option sales tax approved March 6, 2012 for a period of time not exceed six years beginning July 1, 2014 for the purpose of (A) financing capital outlay projects consisting of, among other things, (i) certain capital improvements and expansions of recreation and park improvements of the County and certain municipalities located within the County; (ii) certain projects for road, street, sidewalk, bridge and buildings within the County and certain municipalities within the County; (iii) acquisition of public works and transportation equipment and vehicles for the County and certain municipalities within the County. (iv) Technology infrastructure for certain municipalities within the County. and (v) certain other capital outlay projects for economic development in the County., and various other capital outlay projects as authorized by Georgia law (the "Capital Outlay Projects"), and (B) the retirement of a portion of certain general obligation debt of the certain municipalities within the County.

E-911 Special Revenue Fund – To account for funds generated from telephone subscriber surcharge fees for the emergency 911 system.

The County also reports *Other Governmental Funds*, which are individually nonmajor, in total.

Proprietary Funds - Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The proprietary funds are classified as an enterprise fund and an internal service fund. The following is the County's major enterprise fund.

Solid Waste Fund - This fund accounts for the activity at the County landfill for which the operation is contracted to a private sector vendor.

Additionally, the County reports the following fund types:

Agency Funds – The County uses these funds to account for monies held primarily by Constitutional Officers for others on a temporary basis.

1-C. Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus.. All assets and all liabilities associated with the operation of the County are included on the statement of net position. The statement of activities reports revenues and expenses.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets and all liabilities associated with the operation of these funds are included on the statements of net position. The statements of changes in fund net position present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the County finances and meets the cash flow needs of its proprietary activities.

1-D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental funds use the modified accrual basis of accounting. Proprietary funds use the accrual basis of accounting at both reporting levels. All fiduciary funds use the accrual basis. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues – Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the County, the phrase "available for exchange transactions" means expected to be received within 60 days of year-end.

Revenues - Non-exchange Transactions - Non-exchange transactions in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. (Note 3-C) Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the County must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, interest and federal and state grants.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

1-E Assets, Liabilities, Deferred Inflows and Outflows, and Fund Equity

1-E-1 Cash, Cash Equivalents, and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the County.

Investments are stated at fair value based on quoted market prices.

Georgia law authorizes the County to invest in the following type of obligations:

Obligations of the State of Georgia or of any other states
Obligations of the United States Government
Obligations fully insured or guaranteed by the United States Government or Government agency

Obligations of any corporation of the United States Government
Prime bankers' acceptances
The State of Georgia local government investment pool (i.e., Georgia Fund I)
Repurchase agreements
Obligations of the other political subdivisions of the State of Georgia

1-E-2 Receivables

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable.

1-E-3 Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/interfund payables" and long-term interfund loans are classified as advances. These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances.

1-E-4 Consumable Inventories

On the government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used (i.e., the consumption method).

On the fund financial statements, inventories of governmental funds are stated at cost. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as an expenditure in the governmental fund types when consumed.

1-E-5 Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2015, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expense (at the government-wide financial reporting level) or expenditure (at the fund financial reporting level) in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reserved, as this amount is not available for general appropriation.

1-E-6 Restricted Assets

Pursuant to the landfill operating agreement (Note 3-G) a trust was established to provide for post closure costs on the existing Grady Road Landfill. These resources only can be used for post-closure costs until all mandated requirements are met. Liabilities payable from these restricted assets are reported separately to indicate that the source of payment is the restricted assets.

1-E-7 Capital Assets

General capital assets are those assets not specifically related to activities reported in the enterprise fund. These assets generally result from expenditures in governmental funds. The County reports these assets in the governmental activities column of the government-wide statement of net position but does not report these assets in the governmental fund financial

statements. Capital assets utilized by the enterprise fund are reported both in the business-type activities column of the government-wide statement of net position and in the enterprise fund statement of net position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The County maintains a capitalization threshold for machines and equipment, building and infrastructure of five, fifteen and twenty thousand dollars, respectively. The County's infrastructure consists of roads and bridges, which the County chose to include regardless of their acquisition date. The County was able to estimate the historical cost for the initial reporting of these assets through backtrending. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest incurred during the construction of capital assets utilized by the enterprise fund is capitalized, as applicable.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-type Activities Estimated Lives
Land improvements	20 years	--
Buildings	20 - 60 years	31.5 - 40 years
Building improvements	20 years	5 - 31.5 years
Machinery and equipment	5 - 10 years	3 - 15 years
Infrastructure	40 years	--

The landfill is amortized over its remaining useful life based upon landfill capacity. At the inception of capital leases at the governmental fund reporting level, expenditures and an "other financing source" of an equal amount are reported at the net present value of future minimum lease payments.

1-E-8 Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is based on the County's past experience of making termination payments.

All compensated absence liabilities include salary-related payments, where applicable.

The total compensated absence liability is reported on the government-wide financial statements. Governmental funds report the compensated absence liability at the fund reporting level only "when due."

1-E-9 Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the these funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are "due for payment" during the current year. Bonds, installment contracts and capital leases are recognized as a liability in the governmental fund financial statements when due.

1-E-10 Bond Premiums, Discounts and Issuance Costs

On the government-wide statement of net position and the proprietary fund type statement of net position, bond premiums and discounts are netted against bonds payable and bond issuance costs are expensed in the year incurred. On the government-wide and proprietary fund type statement of activities, bond premiums, and discounts are amortized over the life of the bonds using the effective interest method.

At the governmental fund reporting level, bond premiums and discounts are reported as other financing sources and uses, separately from the face amount of the bonds issued. Bond issuance costs are reported as debt service expenditures.

1-E-11 Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

FUND BALANCE – Generally, fund balance represents the difference between the current assets and current liabilities. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

- **Nonspendable** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

- **Restricted** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

- **Committed** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners through the approval of a motion. Only the Board of Commissioners may modify or rescind the commitment.

- **Assigned** – Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the Board of Commissioners has authorized the County Manager or designee to assign fund balances.

- **Unassigned** – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all funds.

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the County's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the County's policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

Net Positions - Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources in reporting which utilizes the economic measurements focus. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted.

The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

1-E-12 Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for solid waste activities. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of each fund. Nonoperating revenues and expenses are all those that do not meet the criteria described above, and include interest and debt service expenses.

1-E-13 Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets or from grants or outside contributions of resources restricted to capital acquisition and construction.

1-E-14 Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses section in the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted).

Transfers between governmental and business-type activities on the government-wide statement of activities are reported as general revenues. Transfers between funds reported in the governmental activities column are eliminated.

1-E 15 Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

1-E-16 Comparative Data

Comparative total data for the prior year have been presented only for individual funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified to be consistent with the current year's presentation.

1-E-17 Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflow of resources. This separate financial element, *Deferred Outflows of Resources,* represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. There were no deferred outflows of resources in 2015 other than the items related to the changes in the net pension liability which is discussed below.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has two items that qualify for reporting in this category. These items arise only under modified accrual basis of accounting. Accordingly, these items, unavailable revenue from property taxes and unavailable revenue due to the period of availability, are reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues, and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

The County also has deferred outflows related to the recording of changes in its net pension liability. Certain changes in the net pension liability are recognized as pension expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the County's actuary which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. Changes in actuarial assumptions which adjust the net pension liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five year period. Additionally, any contributions made by the County to the pension plan before year end but subsequent to the measurement date of the County's net pension liability are reported as deferred outflows of resources.

The separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The County has several items that meet the criterion for this category.

1-E-18 Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Polk County, Georgia Retirement Plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 2 – Stewardship, Compliance and Accountability

2-A Budgetary Information – Annual budgets are adopted on a basis consistent with GAAP for the general fund, all special revenue funds and the debt service funds. Project length budgets are adopted for capital projects funds in the normal budget process or de facto through the SPLOST referendum process. For administrative control purposes, a budget is adopted for the enterprise fund. All funds which are required to be budgeted by the Georgia Code will be budgeted in future fiscal years.

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the department level within each individual fund. Any change in total to a fund or departmental appropriation within a fund requires approval of the Board of Commissioners.

The County Manager may approve budget transfers between line items within departments. The Board of Commissioners must approve any transfers of personnel or capital appropriations. During the year, Board of Commissioners approved budget revisions.

All unexpended annual appropriations lapse at year-end.

2-B Excess of Expenditures over Appropriations

General Fund:

At June 30, 2015, the following department was over appropriations in excess of 3% of their budget.

Sanitation	$	320,514		

Special Revenue:

Expenditures exceeded appropriations in the following funds:

District Attorney	$	27,760		
Sheriff - Other programs		28,877		

All amounts were funded from current revenues, available fund balances, or transfers from other funds. .

2-C Deficit Fund Equities

The following individual fund had deficit equities at the fund reporting level at June 30, 2015:

Emergency Telephone Special Revenue Fund	$ 473,843

The deficit will be funded by General Fund transfers and/or E-911 fees in future years.

Note 3 - Detailed Notes on All Funds

3-A Deposits and Investments

A reconciliation of cash and investments as shown on the statements of net position follows:

	Cash and Cash Equivalents	Total
Cash on hand	$ 5,110	$ 5,110
Balances per note below	26,412,421	26,412,421
Total Cash and Investments	**$ 26,417,531**	**$ 26,417,531**
Statements of net assets (page 16)		
Primary Government:		
Cash and Cash Equivalents		$ 22,504,025
Restricted Assets		2,371,842
Statement of fiduciary net assets (page 26)		499,045
Component Unit (page 27)		1,042,619
Component Unit		
Total		**$ 26,417,531**

Deposits

The deposits of the County are governed by Georgia General Statutes (45-8-12; 13; etal) which allow depositories to collateralize excess deposits above Federal depository insurance coverage by one of two methods. Under the Dedicated Method, all deposits exceeding the Federal depository insurance coverage are collateralized with securities held by the County's agent in the County's name. Under the Georgia State Pledging Pool Program Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the director of the Office of State Treasurer agent in the name of the director. The State has selected the Georgia Bankers Association as agent. Since the director is acting in a fiduciary capacity for the County, these deposits are considered to be held by the County's agent in the County's name. The amount of the pledged collateral is based on an approved averaging method for non-interest-bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the director the adequacy of their pooled collateral covering uninsured deposits. The director does not confirm this information with the County or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County under the Pooling Method, the potential exists for under collateralization, and this risk may increase in periods of high cash flows. However, the director of the Office of State Treasurer enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method.

Interest rate risk – Interest rate risk is the risk that the market value of securities in the County's portfolio will fall due to changes in general interest rates. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial credit risk – deposits – Custodial credit risk for deposits is the risk that, in the event of bank failure, a government's deposits may not be returned to it. At June 30, 2015, the County (including the component units) had a carrying amount of $26,412,421 and bank balances of $26,599,061. The County's deposits were either covered by federal depository insurance, collateralized through the Georgia Public Funds Pledging Pool or other authorized securities listed herein:

Georgia law governs collateral requirements and forms of collateral under O.C.G.A. Section 45-8-12 which is incorporated by reference within the County's Investment Policy. The County has no custodial credit risk policies requiring additional collateral. In summary, Georgia law states:

- All deposits shall be collateralized within 10 days of deposit by a surety bond, a guarantee of insurance, or collateral.
- The face value of any surety bond, guarantee of insurance or collateral shall be at least 110% of the public funds being secured, net of deposit insurance.
- If a depository elects the pooled method (O.C.G.A. Section 45-8-13.1), the aggregate market value of pledged securities may not be less than 110% of the daily pool balance.

Authorized security for deposits enumerated under law includes surety bonds, FDIC insurance, obligations of the United States or the State of Georgia, obligations of Georgia counties or municipalities, bonds of any Georgia public authority, industrial revenue bonds of any Georgia development authority, and obligations of any subsidiary corporation of the United States government fully guaranteed by the United States (such as Federal Home Loan Bank, Federal National Mortgage Association, etc).

Investments

Interest rate risk – Interest rate risk is the risk that the market value of securities in the County's portfolio will fall due to changes in general interest rates. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit risk – State statutes authorize the County to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime banker's acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia.

Custodial credit risk – Investments - Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require all investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities.

Concentration of credit risk – Polk County places no limit on the amount it may invest in any one issuer.

3-*B Receivables*

Receivables at June 30, 2015, consisted of taxes, accounts (billings for user charges), and intergovernmental receivables arising from grants.

Receivables and payables are recorded on the County's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectibility.

	General	2008 SPLOST	2014 SPLOST	E-911 Special Revenue Fund	Nonmajor Governmental Funds	Solid Waste	Total
Primary Government							
Taxes - property	$ 917,052	$ -	$ -	$ -	$ -	$ -	$ 917,052
Accounts	89,857	100	-	95,838	-	134,665	320,460
Interest	685	-	-	-	-	-	685
Intergovernmental	1,032,254	46,371	391,287	-	9,807	-	1,479,719
Gross receivables	**2,039,848**	**46,471**	**391,287**	**95,838**	**9,807**	**134,665**	**2,717,916**
Less: allowance for uncollectibles	(27,512)	-	-	-	-	-	(27,512)
Net total receivables	**2,012,336**	**46,471**	**391,287**	**95,838**	**9,807**	**134,665**	**2,690,404**
Component units							
Intergovernmental	91,903	-	-	-	-	-	91,903
Gross receivables	91,903	-	-	-	-	-	**91,903**
Less: allowance for uncollectibles	-	-	-	-	-	-	-
Net total net receivables	91,903	-	-	-	-	-	**91,903**
Total reporting entity	$ 2,104,239	$ 46,471	$ 391,287	$ 95,838	$ 9,807	$ 134,665	$ 2,782,307

3-C Property Taxes

Property taxes attach as an enforceable lien on property as of January 1 and were levied on July 30, 2015, by the Board of Commissioners. Tax bills were mailed August 15 and will be delinquent after December 1, 2015. Motor vehicle taxes are assessed and collected on the owner's birth date or by company name for business.

Property taxes include amounts levied against all real property, public utility property, tangible personal property and timber located in the County.

The State, through the Property Tax Division, has been given the statutory duty of reviewing county tax digests to determine if the digests meet the criteria mandated in statute case laws and regulation for level of assessment, uniformity and equalization.

State statutes establishes the procedure for the State to equalize county property tax digests between and within counties and compel county boards of tax assessors to make adjustments in property valuations so as to insure uniformity and equity.

As directed by the legislature, the State has adopted a three-year digest review cycle in which each county's tax digest is reviewed extensively to determine the level of assessment, uniformity and equalization in each property class. In any given year, one third of the county tax digests are subject to extensive statistical testing. Counties, which do not meet the criteria, set forth in the statute and regulations are allowed an opportunity during the three year cycle to correct any deficiencies by the next review year. The other counties that are not being extensively reviewed are examined for level of assessment to equalize the state levy and public utility assessments. The State approves any county's digest as being reasonably uniform and equalized if the digest meets certain standards.

For those digests submitted by counties in their digest review year, the State completes the review on or before August 1 of the following tax year or within 30 days of the date the ratio study results are provided by the State Auditor. Based upon this review, the State will approve any digest when it is found to be reasonably uniform and equalized by having met the following state established standards:

The average level of assessment for each class of property meets the state standards of 36% to 44%;

The average measure of overall equalization, the coefficient of dispersion, meets the state standard of 15% or less for residential properties and 20% or less for all other property classes.

The bias ratio, or statistical measure of price related differential, meets the state standard of 95% to 110%.

The State conditionally approves the digest and assesses a penalty of $5 per taxable parcel of real property if a county's review year digest contains the same or similar deficiencies as the previous review year digest. If the overall average assessment level does not meet state standards, the county is assessed additional state tax in the amount equal to the difference between the state's one-quarter of a mill that would have been produced if the digest had been at the proper assessment level and the amount the digest actually produces for collection purposes.

For those counties submitting their digest during a non-review year, digests are evaluated by the State based on the overall average assessment ratio deviation from the proper assessment ratio of 36% to 44%.

Beginning with the 2000 tax year digest reviews, in order to measure the compliance of each county in meeting state standards for digest approval, the State utilizes the information provided by the State Auditor from the sales ratio studies developed for each county. Each county's ratio study measures the statistical standards of level of assessment, uniformity and equalization.
The Georgia Code requires the State to annually propose assessments for public utility property and to insure that these properties are assessed at the same overall average assessment level as other property in the county. Each utility company is required to annually return their properties indicating location, description, type of property and valuation. The Revenue Commissioner's staff inspects these returns to insure the accuracy of each utility company's declarations. In the 1983 legislative session, a bill was passed establishing preferential assessment of tangible real property devoted to bona fide agricultural purposes. By statute, all real property is assessed at 40% of fair market value, however, the new legislation provided for a 30% level of assessment or 75% of the value at which other taxable real property is assessed.

In making application for preferential assessment, qualifying taxpayers must have signed a covenant (contract) agreeing to continuously maintain the property in agricultural pursuits for a period of 10 years.

In 1991, the Legislature embraced the "current use" valuation concept. This bill provided for the assessment for ad valorem tax purposes of certain qualifying properties based on current use value rather than fair market value. This is under an assessment program known as conservation use covenants.

Prior to 1992, timber was taxed annually as part of the tax digest. Along with Conservation Use Valuation, the amendment to the Georgia Constitution, which was approved by the electorate in 1991, also provided for a one-time assessment on harvested timber versus the annual taxation of timber as part of the value of real estate. Timber is now taxed once at its current value when harvested.

The County bills and collects its own real property taxes as well as the County School System and the State of Georgia. The County also collects its own personal property taxes as well as those of the County School System, the State of Georgia, and incorporated cities. Collection and remittance of taxes are accounted for in the Tax Commissioner Agency Fund.

3-D Capital Assets

Capital asset activity for the year ended June 30, 2015, was as follows:

	Balance 7/1/2014	Additions	Deductions	Balance 6/30/2015
Governmental activities:				
Capital assets not being depreciated:				
Land	$ 3,115,756	$ -	$ -	$ 3,115,756
Construction in progress	413,873	1,061,781	307,277	1,168,377
Total capital assets not being depreciated	**3,529,629**	**1,061,781**	**307,277**	**4,284,133**
Depreciable capital assets:				
Land improvements	1,877,805	307,277	-	2,185,082
Buildings	20,949,836	-	-	20,949,836
Machinery and equipment	13,937,926	991,119	1,087,196	13,841,849
Infrastructure	34,323,778	-	-	34,323,778
Total depreciable capital assets	**71,089,345**	**1,298,396**	**1,087,196**	**71,300,545**
Total capital assets	**74,618,974**	**2,360,177**	**1,394,473**	**75,584,678**
Accumulated depreciation:				
Land improvements	1,268,602	80,346	-	1,348,948
Buildings	7,331,168	431,258	-	7,762,426
Machinery and equipment	8,947,793	726,546	1,071,986	8,602,353
Infrastructure	24,663,861	350,751	-	25,014,612
Total accumulated depreciation	**42,211,424**	**1,588,901**	**1,071,986**	**42,728,339**
Governmental activities capital assets, net	$ 32,407,550	$ 771,276	$ 322,487	$ 32,856,339
See Note 4-G				

Governmental activities depreciation expense

General government	$ 205,397
Judical	9,699
Public safety	705,687
Public works	529,232
Health and welfare	24,083
Economic development	114,803
Total governmental activities depreciation expense	$ **1,588,901**

	Balance 7/1/2013	Additions	Deductions	Balance 6/30/2014
Business-type activities				
Capital assets not being depreciated:				
Land	$ 150,186	$ -	$ -	$ 150,186
Total capital assets not being depreciated	**150,186**	**-**	**-**	**150,186**
Depreciable capital assets:				
Land improvements	78,980	-	-	78,980
Landfill	4,692,921	-	-	4,692,921
Compactor	124,876	-	-	124,876
Dumpsters	9,187	-	-	9,187
Buildings	9,909	-	-	9,909
Other improvements	2,450	-	-	2,450
Machinery and equipment	200,390	-	-	200,390
Furniture and fixtures	3,431	-	-	3,431
Total depreciable capital assets	**5,122,144**	**-**	**-**	**5,122,144**
Total capital assets costs	**5,272,330**	**-**	**-**	**5,272,330**
Accumulated depreciation:				
Land Amortization	78,980	-	-	78,980
Landfill	4,686,369	-	-	4,686,369
Compactor	124,876	-	-	124,876
Dumpsters	9,187	-	-	9,187
Buildings	9,214	-	-	9,214
Other improvements	2,450	-	-	2,450
Machinery and equipment	174,412	12,304	-	186,716
Furniture and fixtures	3,431	-	-	3,431
Total accumulated depreciation	**5,088,919**	**12,304**	**-**	**5,101,223**
Business-type activities capital assets, net	**$ 183,411**	**$ (12,304)**	**$ -**	**$ 171,107**

3-E Interfund Balances and Transfers

Interfund balances at June 30, 2015, consisted of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, and (3) payments between funds are made. The County expects to repay all interfund balances within one year except for the general fund advance to the Emergency Telephone Fund in the amount of $634,946.

The following table reports interfund receivables and payables classified as such:

	Payable From		
Payable to	General Fund	Non-Major Governmental Fund	Total
General Fund	$ -	$ 81	$ 81
Non-major Governmental Funds	7,370	1,864	9,234
	$ 7,370	$ 1,945	$ 9,315

The following table reports the advances receivable and payable:

Payable to	Payable from E-911 Special Revenue Fund
General Fund	$ 634,946

Interfund transfers for the year ended June 30, 2015, consisted of the following:

	Transfers From:			
Transfer to	General Fund	Non-major Governmental Funds	Solid Waste	Total
General Fund	$ -	$ -	$ 326,607	$ 326,607
E-911 Special Revenue Fund	349,852	-	-	349,852
Non-major Governmental Funds	-	30,427	-	30,427
	$ 349,852	$ 30,427	$ 326,607	$ 706,886

Transfers are used to report revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed.

All County transfers either occur on a regular basis or are consistent with the purpose of the fund making the transfer.

3-F Compensated Absences

Annual leave is earned at the rate of ten days per year after one year of service, for the first five years up to a maximum of 25 days per year after thirty years for the remainder of employment. There is no requirement that annual leave be taken; however, any leave in excess of 10 days not taken is forfeited. Upon termination, all employees are paid for all accumulated annual leave.

Sick leave is earned at the rate of eight hours for each month of service with accumulation subject to limits. Unused sick leave is paid with accumulation subject to a 60 day limitation upon

termination of employment. Employees retiring at full retirement status are paid 100% of the benefit and others are paid at a rate of 50%.

3-G Landfill Closure and Postclosure Care Cost

State and federal laws and regulations required the County to place a final cover on its Highway 278 landfill when it stopped accepting waste and to perform certain maintenance and monitoring functions at the site for a minimum of 5 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The $713,701 reported as landfill postclosure cost liability at year-end represents the cumulative amount reported to date based on the use of 100% of the estimated capacity of the landfill, net of related expenditures to date of $132,514. These amounts are based on what it would cost to perform all postclosure in 2015. The County stopped receiving waste in this landfill prior to April 9, 1994, but will be required to monitor the site for 30 years. The 30 year monitoring requirement began July 1, 1999, therefore the monitoring will be in effect for fifteen more years. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

State and federal laws and regulations require the County to place a final cover on its Grady Road landfill (Phase I and II, approximately 27,849,239 ton capacity, as last modified February 2012) when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The $13,989,344 reported as landfill closure/postclosure cost liability at year-end represents the cumulative amount reported to date based on the use of 28.74% of the estimated capacity of the Phases I,II and III, net of related expenditures to date of $-0- and lessee closure contractual obligations of $13,989,344. These amounts are based on what it would cost to perform all closure and postclosure in 2015. As described below, all closure/postclosure costs are a contractual obligation of the lessee, and therefore the County does not expect to incur any additional costs associated with the closure/postclosure of Phases I,II and III. Actual cost may be higher due to inflation, changes in technology, or changes in regulations. Closure and postclosure care financial assurance requirements will be met by lessee contractual commitments secured by a funded trust, bank letters of credit and performance bonds.

The County and contractor have obtained approval for certain major/minor modifications of the original D & O applicable to Phases I,II and III, including the remaining 40 acres that are under an existing D & O plan. These changes were effective 2012 and updated by the County in 2015 with guidance by the Georgia Department of Natural Recourses.

On December 4, 2001, (finalized February 26, 2002) the County entered into a sanitary operation agreement with ETC of Georgia, Inc. (the Contractor) (assigned to Waste Connections, Inc.). The Agreement provides, among other things, that the Contractor will manage, operate, and maintain the Polk County Sanitary Landfill located at 316 Grady Road.

The Contractor is responsible for all closure/post-closure costs as mandated by federal and state authorities. A trust agreement requires that the Contractor make monthly payments to provide sufficient funds for the estimated costs. The Contractor paid the County the sum of one million and 00/100 ($1,000,000.00) dollars as an origination fee. Polk County will be charged a tipping fee of fourteen and 50/100 ($14.50) dollars per ton subject to consumer price index (CPI) increases beginning on the third (3rd) anniversary of the agreement. The County will also receive a "host" fee of four and 00/100 ($4.00) dollars per ton on tonnage up to 1,000 tons per day and two and 00/100 ($2.00) for all tonnage in excess of 1,000 tons per day up to and including 4,000

tons per day. If the cap of 4,000 tons per day is exceeded then the host fee will revert to four and 00/100 ($4.00) dollars per ton, on all garbage generated and collected outside of the geographical boundary of Polk County. The Contractor has guaranteed an annual amount of five hundred twenty thousand and 00/100 ($520,000.00) under this section. The Contractor will make an annual charitable donation of ten thousand ($10,000.00) dollars to the County for purposes of solid waste and recycling education in Polk County.

3-H Operating Leases

The government is committed under various leases for machinery and equipment. These leases are considered for accounting purposes to be operating leases. Lease expenditures and outstanding obligations for the year were not significant.

3-I Long-Term Debt

Installment Contract Obligation - On September 16, 2011, the County entered in an installment purchase agreement with Delage Landen Financial Services, Inc., to acquire a Savin multi-purpose copier.

The following is a summary of the County's outstanding installment contractual obligation with the lessor:

Purpose	Interest Rate (%)	Interest Date	Issue Date	Maturity Date	Authorized and Issued	Retired	Outstanding
Copier	13.1	Monthly	9/16/10	9/16/14	$ 7,426	$ 7,426	$ -

General Government

Changes in Long-term Debt - Changes in the County's long-term obligations consisted of the following for the year ended June 30, 2015:

Governmental Activities	Outstanding 7/1/2014	Additions	Reductions	Outstanding 6/30/2015	Amounts Due in One Year
Installment contracts	$ 591	$ -	$ 591	$ -	$ -
Net pension liability	133,953	1,369,741	1,338,684	165,010	-
OPEB liability	5,358,909	1,045,805	93,584	6,311,130	-
Compensated absences	771,566	572,112	485,663	858,015	475,000
Total Governmental Activities	**$ 6,265,019**	**$ 2,987,658**	**$ 1,918,522**	**$ 7,334,155**	**$ 475,000**
Business-type Activities:					
Landfill closure and post-closure care costs	$ 885,814	$ -	$ 172,113	$ 713,701	$ -
Total Business-type Activities	**$ 885,814**	**$ -**	**$ 172,113**	**$ 713,701**	**$ -**
Discretely Presented Component Units					
Net pension liability	875,132	-	35,369	839,763	-
Compensated absences	35,597	7,959	9,546	34,010	-
Compensated absences	**$ 910,729**	**$ 7,959**	**$ 44,915**	**$ 873,773**	**$ -**

Primary Government:

The compensated absences liability will be paid from the general fund and the E-911 special revenue fund. The net pension and OPEB liabilities will be liquidated by the General Fund

The landfill closure and post-closure care costs and the business-type activity notes payable will be paid from the solid waste fund..

3-J Short-Term Tax Anticipation Notes

No TAN borrowings in FY 2015.

3-K Pensions

Defined Contribution Plan

The County maintains a single employer sponsored money purchase retirement plan covering all full time employee hired after January 1, 2005. The ACCG 401(a) Deferred Contribution Plan for Employees of Polk County (the Plan) is a defined contribution plan established by the Board of Commissioners on February 1, 2005. A defined contribution plan provides retirement benefits in return for services rendered, provides an individual account for each participant and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Under a defined contribution plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account, the returns earned on investments of those contributions and forfeitures of other participant's benefits that may be allocated to such participant's account. As established by resolution of the Board of Commissioners, all employees who have been employed for one year are eligible to participate in the plan. Participants are fully vested after five years of service. There is partial vesting prior to the five year anniversary. A participant that leaves the employment of the County is entitled to their account balance, if vesting requirements are satisfied. The plan does not provide for participant contributions that are treated as employer pick-up contributions under Code Section 414(h). The Plan does not allow employee after-tax contributions. The County makes no basic contributions to the Plan. Investment options are selected by each Plan participant. Plan members do not make contributions to the plan, except as described below.

As part of the Plan, Polk County adopted a funding plan feature that gives certain 401(K) aspects to the defined contribution plan. Under the provision, the County will match contributions made by an employee to the County's Section 457 deferred compensation plan on a 1 for 2 basis up to a maximum contribution by the County of 3%. Therefore, an employee who contributes 6% to the 457 deferred compensation plan will receive an additional 3% contribution to this pension plan.

The County's contributions were calculated using the formula detailed above. Employees contributed $42,849 and the County made the required percent matching contributions of $15,234.

Defined Benefit Pension Plan

Plan Description - The County participates in the Association County Commissioners of Georgia ("ACCG") Third Restated Defined Benefit Plan, an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating counties in Georgia. The plan is administrated by GEB Corp. The Plan provides retirement, disability, and death benefits to plan participants and beneficiaries. The ACCG, in its role as the plan sponsor, has the sole authority to amend the provisions of The ACCG plan, as provided in Section 19.03 of the ACCG Plan document.

The specific benefit provisions of the County's plan, as provided by Section 19.02 of the ACCG Plan document, were established by an adoption agreement executed by the Board of Commissioners. The Plan provides for benefits upon retirement, death, disablement, and termination of employment, if certain eligibility conditions are met.

All full-time eligible employees participate in the ACCG Plan ("Plan") after completing three years of service. Benefits are fully vested after five years of service.

Participants become eligible to retire at the later of the date: 1) participant attains sixty-five years of age or, 2) the third anniversary of the first day of the Plan Year in which the Participant commenced participation in the Plan; 3) all participants are eligible for Normal retirement at age 70 even if they have not completed three years of Plan participation. Upon reaching normal retirement age, as defined above, participants are entitled to a monthly pension of 2% of average annual compensation multiplied by each year of credited service. Average annual compensation is the highest average of the Participant's compensation over three consecutive plan years during the ten plan years preceding the Participant's date of retirement or other termination. The Plan provides benefits in the event of death or disability. The Plan also provides for Early Retirement subject to certain early retirement reduction factors. If the participant has 30 years of service with the County or another adopting employer (at least 25 years must be with the county), there will not be an early retirement reduction in benefits.
Complete financial statements of the pension plan trust can be obtained from the plan administrator at **www.gebcorp.com** or by writing to Association of County Commissioners of Georgia, Retirement Services

Association of County Commissioners, Retirement Services
191 Peachtree Street, NE
Atlanta, Georgia 30303
Phone: (800) 736-7166

Participant counts as of January 1, 2014, (the most recent actuarial valuation date) and covered compensation (based on covered earnings for the preceding year) are shown below:

	2014
Retirees and beneficiaries and disables receiving benefits	41
Terminated plan participants entitled to but not yer receiving benfits	137
Active employees participating in the Plan	168
Total number of plan participants	**346**

Funding Policy

The County is required to contribute an actuarially determined amount annually to the Plan's trust. The contribution amount is determined using actuarial methods and assumptions approved by the ACCG Plan trustees and must satisfy the minimum contribution requirement contained in the State of Georgia statutes.

County employees are not required to contribute to the Plan. The County contributes the entire cost of the Plan, using the actuarial basis described in the annual valuation report.

Summary of Significant Accounting Policies

The Plan's financial statements are prepared on an accrual basis, modified to include unrealized gains or losses on marketable securities owned by the Plan and incremental changes in the cash value of pre-retirement life insurance policies owned by the trust.

Plan member contributions are recognized in the period in which contributions are due. County contributions are recognized when due and the County has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable.

Investments in securities are valued at current market prices. The trust fund is invested, approximately, in 60% equities and 40% fixed income securities on a cost basis.

Plan assets do not include any loans, notes, bonds or other instruments or securities of the County or related parties.

Contributions

The County is required to contribute an actuarially determined amount annually to the Plan's trust. The Plan does not provide for contributions by plan participants. The contribution amount is determined using actuarial methods and assumptions approved by the ACCG Plan trustees. Section 47-20 of the Georgia Code sets forth the funding standards for state and local governmental pension plans. The annual County contribution meets or exceeds the minimum funding requirements of the Georgia Code. Administrative expenses are based on total covered compensation of active plan participants and are added to the state-required annual funding requirement. The annual County contribution to the Plan is determined using the actuarial basis described in the annual valuation report. County contributions to the Plan were $341,621 for the year ended June 30, 2015.

The Georgia Constitution enables the governing authority of the County, the Board of Commissioners, to establish and amend from time to time, the contribution rates for the County.

Net Pension Liability of the County

Effective July 1, 2014, the County implemented the provisions of GASB Statement 68, Accounting and Financial Reporting for Pensions - amendment of Statement No. 27, which significantly changed the County's accounting for pension amounts. The information disclosed below is presented in accordance with this new standard.

The County's net pension liability was measured as of December 31, 2014. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2014 with update procedures performed by the actuary to roll forward to the total pension liability measured as of December 31, 2014.

Actuarial Assumptions: The total pension liability in the January 1, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	2.0% - 4.5%, including inflation
Investment rate of return	7.5%, Net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Healthy Mortality Table

The actuarial assumptions used in the January 1, 2014 valuation were based on the results of an actuarial experience study for the period January1, 2010 - June 30, 2013.

The long-term expected rate of return on pension plan investments was determined through a blend of using a building-block method based on 20-year benchmarks (25%) and 30-year benchmarks (25%), as well as forward-looking capital market assumptions for a moderate asset allocation (50%), as determined by UBS. Expected future rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2014 are summarized in the following table:

Asset class	Target Allocation	Long-term expected real rate of return
Fixed income	30%	6.78%
Large Cap equity	30%	9.77%
International equity	15%	7.48%
Other equity	20%	9.23%
Real estate	5%	10.63%
	100%	

Discount rate: The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that County contributions will be made based on the average County contribution made to the Plan over the prior five years. Based on this assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability of the County – The changes in the components of the net pension liability of the County for the year ended June 30, 2015 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2014	$ 13,715,572	$ 13,581,619	$ 133,953
Changes for the year:			
Service cost	220,586		220,586
Interest	1,013,145		1,013,145
Contributions - employer	-	341,621	(341,621)
Net investment income	-	997,063	(997,063)
Benefit payments	(413,946)	(413,946)	-
Administrative expense		(27,620)	27,620
Other charges		(108,390)	108,390
Net changes	819,785	788,728	31,057
Balance June 30, 2015	$ 14,535,357	$ 14,370,347	$ 165,010

The required schedule of changes in the County's net pension liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the net pension liability of the County, calculated using the discount rate of 7.5 percent, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5 percent) or 1 percentage-point higher (8.5 percent) than the current rate.

1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
$ 2,283,355	$ 165,010	$ (1,585,629)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based

on the substantive plan in effect as of December 31, 2014 and the current sharing pattern of costs between employer and employee.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2015,

	Deferred Outflows of Resources
Net difference between projected and actual earnings on pensin plan investments	$ 16,310
County contributions subsequent to the measurement date	338,338
Total	$ 354,648

County contributions subsequent to the measurement date of $338,338 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending June 30, 2016. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:	
2016	$ 3,262
2017	3,262
2018	3,262
2019	3,262
2020	3,262
	$ 16,310

3-L Other Post employment Benefits (OPEB)

The County administers a single-employer defined benefit health care plan, the "The Healthcare Plan of Polk County."

Plan Description and Funding Policy – The County Board of Commissioners authorizes participation in the OPEB and sets the contribution rates and benefits. Coverage under the plan includes medical and prescription drug for retirees and dependents

Benefits - Retirees who meet the following requirement are eligible to continue health insurance coverage:

The retiree has twenty (20) or more years of full time service and is at least sixty (60) years of age. Employees attaining Full Retirement Status, and only such employees, shall have the right to carry and retain insurance coverage at employee-portion rates into retirement

Retirees may stay on the plan for their lifetime by making the required contribution.

Life insurance is offered to retirees, but must be paid entirely by retirees.

Dependents may participate for the lifetime of the retiree as long as the retiree pays the required contribution for dependent coverage. As of 7/1/2015, the contributions are as follows based on the 3 health plans:

Plan Name	Employee Only Contribution
POS 5002 SX	$106.63 per month
HMO 6502 SX (LOW)	$55.25 per month
HMO 6200 SX (HIGH)	$76.15 per month

Retirees and/or retiree spouses reaching the age of Medicare eligibility and having the current group insurance plan convert to supplemental coverage only shall have the rates reduced to half rates.

Annual OPEB Cost and Net OPEB Obligation – The following table includes the County's annual OPEB cost for the year, the amount actually contributed to the plan, and the changes in the County" net OPEB obligation:

	June 30, 2014	June 30, 2015
Normal cost	$ 711,728	$ 671,844
Amortization of unfunded actuarial accrued liability (UAAL)	356,218	364,382
Required contribution (ARC)	1,067,946	1,036,226
Interest on OPEB obligation	174,089	214,356
Adjustment to ARC	(165,385)	(204,777)
Annual OPEB cost	1,076,650	1,045,805
Contributions made	(69,985)	(93,584)
Increase in net OPEB obligation	1,006,665	952,221
Net OPEB obligation, beginning of year	4,352,244	5,358,909
Net OPEB obligation, end of year	$ 5,358,909	$ 6,311,130

Three Year Trend Information

6/30/13	1,073,941	-	7.05%	$	4,352,244
6/30/14	$ 1,076,650	$ -	6.50%		5,358,909
6/30/15	1,045,805	-	8.95%		6,311,130

Funded Status and Funding Progress – The County's funding status based upon the most recent actuarial valuation follows:

(1)* Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL/uaal (2)-(1)	(5) Annual Covered Payroll	UAAL as a Percentage of Covered Payroll
$ -	$ 9,535,686	0.0%	$ 9,535,686	$ 6,876,255	138.7%

Actuarial Methods and Assumptions – Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The County's actuarial valuation information is as follows:

Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Percentage of Pay, Open
Amortization Period	30 years
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Investment rate of return	4.00%
Pre-Medicare trend rate	7.50% to 5.00%
Medicare trend rate	5.50% to 5.00%
Year of Ultimate Trend Rate	2020
Inflation Rate	3%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Other Retirement Plans - In addition to the general group pension plan, the following pensions are in effect but are not under the direct control of the County:

Agricultural Extension Supplemental Teachers Retirement Fund
Probate Judges' Retirement Fund of Georgia
Clerk of Superior Court Retirement Fund
Sheriffs' Retirement Fund/Peace Officers' Annuity and Benefit Fund

These plans require that certain preferential payments be made to various trustees as prescribed by state statutes.

Deferred Compensation Plan - The County offers its employees an optional deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to all County employees and permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the participant or other beneficiary) solely the property and rights of a trust created by the County for the benefit of the participants.

3-M Property Held for Leasing

The County leases hangars at the airport on a monthly basis. However, the lease agreements are not long term and projections for future rental amounts are uncertain. Therefore, a schedule of minimum future rental is not presented. In 2015, the County received $117,888 from hangar rentals.

Property held for leasing consists of land and building leased under operating leases to a commercial enterprise and agencies of the State of Georgia. Lease terms vary from one to ten years and require, in some cases, the construction of leasehold improvements that will be contributed to the County at lease termination

The following is a schedule by year of minimum future rentals on cancelable operating leases as of June 30, 2015

Year Ending June 30,	DFACS Building
2016	239,790
2017	239,790
2018	239,790
2019	239,790
2020	239,790
2021-2026	1,438,740
Total	**$ 2,637,690**

3-N Net Position

Net positions on the government-wide statement of net position as of June 30, 2015 are as follows:

	Governmental Activities	Business Type Activities
Investments in capital assets		
Cost of capital assets	$ 75,584,678	$ 5,272,331
Less accumulated depreciation	42,728,339	5,101,224
Book value	32,856,339	171,107
Less capital related debt	-	-
Investments in capital assets, net of related debt	32,856,339	171,107
Restricted assets	6,555,505	-
Unrestricted assets	1,780,859	7,389,703
Net position	**$ 41,192,703**	**$ 7,560,810**

Note 4 - Other Notes

4-A Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The State Constitution provides that the County (a political subdivision) may be immune from liability for most forms of bodily injury and property damage arising out of its operations, if such losses are not insured. It is the policy of the County to utilize immunity as a legal defense against liability claims whenever the risk of loss is not insured and immunity may be asserted.

The County previously offered to all eligible employees' medical insurance coverage through a self-insurance plan. The self-insured plan was administered by an outside agency which reported the claims costs to the County. The County had reinsurance coverage for excess claims. The County paid for all claims up to the maximum claims liability, and the insurer pays for all claims in excess of the maximum claims liability. The County also has individual stop-loss protection against large claims. The contract was based on a 12/15 run out formula. The insurer agreement also has a maximum contractual obligation in the event of termination for the incurred but not reported claims. Effective July 1, 2003, the County obtained commercial insurance for the medical claims of employees and is no longer self-insured for those purposes.

Pursuant to Title 34, Chapter 9, Article 5 of the Official Code of Georgia Annotated, the County has elected to participate with several other Georgia counties in the risk management program known as Association County Commissioners of Georgia Group Self-Insurance Workers' Compensation Fund ("ACCG-GSIWCF"). ACCG-GSIWCF is a public entity risk pool operating as a common risk management and insurance program. The effective date of membership was January 1, 1993. The liability of the fund to the employees of the County is specifically limited to such obligations as are imposed by applicable state laws against the employer for workers' compensation and/or employer's liability.

The fund is to defend, in the name of and on behalf of the County, any suits or other proceedings which may at any time be instituted against the County on account of injuries or death within the parameters of the workers' compensation law of the State of Georgia, or on the basis of employer's liability, including suits or other proceedings alleging such injuries and demanding

damages or compensation therefore, although such suits, other proceedings, allegations or demands are wholly groundless, false or fraudulent. The Fund is to pay all costs taxed against the County in any legal proceeding defended by the County, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense of claims and expenses for each occurrence of workers' compensation injuries. Excess insurance is purchased by the ACCG-GSIWCF to protect the fund from catastrophic losses and for any unexpected frequency of smaller claims.

The County has elected to participate with several other Georgia counties in the risk management program known as ACCG-Interlocal Risk Management Agency ("ACCG-IRMA"). ACCG-IRMA is a public entity risk pool operating as a common risk management and insurance program, whereby the members join together to provide a source of coverage for their property, automobile, general liability, law enforcement liability, public officials' liability, crime, statutory bond and boiler and machinery exposures. The fund is owned by its members and managed by a seven member Board of Trustees elected by the ACCG Board of Managers from member counties. The Fund is operated under the authority of O.C.G.A. 36-85-20 et seq. ACCG-IRMA estimates the anticipated losses for its members and self-funds a portion of that exposure. The funds which are allocated for anticipated losses are invested until such time that they are needed to pay claims. ACCG-IRMA purchases appropriate re-insurance to provide for catastrophic losses and for an unanticipated frequency of smaller claims. Nothing contained in the ACGG-IRMA intergovernmental contract shall be deemed to create any relationship of surety, indemnification, or responsibility between an individual Member for the debts or claims against any other individual Member. In accordance with Sections 36-85-9 and 36-85-15 of the Official Code of Georgia Annotated, each Member shall be jointly and severally liable for all legal obligations of any fund and assessments may be required to meet any financial deficiencies of ACCG-IRMA or of any Fund. The effective date of membership was February 29, 1996.

As part of these risk pools, the County is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents that could require the fund to pay any type of loss. The County is also to allow all the pool's agents and attorneys to represent the County in investigations, settlement discussions, and all levels of litigation arising out of any claims made against the County within the scope of loss protection furnished by the funds.

The County previously accounted for the financial operations of its self-insurance medical program in an internal service fund. A liability for claims has been reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred as of the date of the financial statements and the amount of the loss can be reasonably estimated. A third party administrator is employed to review and process claims for the self-insurance medical program. Liabilities that are expected to be paid from expendable available financial resources are recorded as a current payable of the internal service fund. No claims were payable from the fund at year end. All claims were payable for the fully insured plan.

There were no significant reductions in insurance coverage from prior year, and there have been no settlements that exceed the County's insurance coverage during the past three years.

4-B Contingent Liabilities

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement to the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the County believes such disallowances, if any, will be immaterial.

The County was a defendant in several lawsuits at June 30, 2015. In the opinion of County management, the outcome of these contingencies will not have a material effect on the financial position of the County.

4-C Jointly Governed Organizations

The County assists with the operations of the Polk County Library System through annual funding requests. The Polk County Library System is a member of the Sara Hightower Regional Library System (Library).

The Library Board consists of sixteen members, eleven members appointed by the Floyd County Library Board, and five members appointed by the Polk County Library Board. The Board is without authority to determine the amount of its funding, except by submission of budget requests to local governmental units from which that library receives support and to the State of Georgia for state and federal funding. Membership in the library and participation in library services is at the discretion of each participating governmental agency. The Board has the power to designate management, the power to retain unreserved fund balances of local funds for continued operations and is the lowest level of oversight responsibility for the Library's operations. No single governmental agency has oversight responsibility or managerial control over the Library nor is any of the participating governments responsible for funding a deficit of the Library. Accordingly, the Library's financial statements are not included in the financial statements of any other reporting entity.

Complete financial statements of the Library System can be obtained directly from their administrative office. Address for the administrative office is as follows:

Sara Hightower Regional Library
245 East Avenue
Cedartown, Georgia 30125

4-D Joint Ventures

Polk County, in conjunction with cities and counties in the ten (15) county Northwest Georgia area are members of the Northwest Georgia Regional Commission (RC). Membership in the RC is automatic for each municipality and county in the state. The official Code of Georgia Section 50-8-34 (Georgia Planning Act of 1989 ("the Act")) provides for the organizational structure of the RC's. Each county and municipality in the state is required by law to pay minimum annual dues to the RC. The County paid $27,146 in fiscal year 2015. The RC Board membership includes the chief elected official of each county and the chief elected official of each municipality. The County board members and municipal board members from the same county elect one member of the Board who is a resident (but not an elected or appointed official or employee of the County or municipality) to serve as the non-public Board member from a County. The Act defines RC's as "public agencies" and instrumentalities of their members. Georgia laws also provide that the member governments are liable for any debts or obligations of an RDC beyond its resources. (O.C.G.A. 50-8-39)

A copy of the RDC's financial statements can be obtained from:

Northeast Georgia Regional Commission
(Formerly) Coosa Valley Regional Development Center
1 Jackson Hill Drive
P. O. Box 1793
Rome Georgia 30162
Phone: (706) 295-6485 Fax (706) 295-6665

4-E Landfill Operations

On December 4, 2001, (finalized February 26, 2002) the County entered into a sanitary operation agreement with ETC of Georgia, Inc. (the Contractor). The agreement provides, among other things, that the Contractor will manage, operate, and maintain the Polk County Sanitary Landfill located at 316 Grady Road. The Contractor is responsible for all closure/post-closure costs as mandated by federal and state authorities. A trust agreement requires that the Contractor make monthly payments to provide sufficient funds for the estimated costs of postclosure. The Contractor paid the County $1,000,000 as an origination fee. The County was charged an initial tipping fee of fourteen and 50/100 ($14.50) dollars per ton subject to consumer price index (CPI) increases beginning on the third (3rd) anniversary of the agreement. The current rate is 17.04 per ton, which does not include a variable oil/energy surcharge.

The County also receives a "host" fee of four dollars per ton on the first 1,000 tons per day and two dollars per ton on the excess for all garbage generated and collected outside of the geographical boundary of the County. The Contractor has guaranteed an annual amount of $520,000 under this section. The Contractor is required to make an annual charitable donation of $10,000 to the County for purposes of solid waste and recycling education in the County. Certain irrevocable bank letters of credit have been made a part of this agreement for closure costs.

4-F EMS Agreement

Effective July 1, 2009, Polk County entered into a partnership agreement with Redmond Regional Medical Center ("Redmond") whereby Redmond began operating Advanced Life Support Emergency Medical Services for all of Polk County under Polk County's name and state license, and, as part of that contractual agreement, assets of Polk Emergency Medical Service were transferred to Redmond. Such assets included four equipped ambulances, and in exchange for those assets Redmond paid $269,400 to Polk County and agreed to make its best effort to collect the outstanding accounts receivables due at June 30, 2009 and remit the funds to the County.

4-G Deferred Outflows and Inflows of Resources

	Unavailable Revenue	Unearned Revenue
GDOT - LMIP (Roads)	$ -	$ 105,000
Grants	7,120	50,654
Taxes Receivable	806,330	-
Rents	-	4,739
	$ 813,450	$ 160,393

4-H Change in Accounting Principle

As discussed in Note 3-K above, the County implemented the provisions of GASB Statement No. 68, Accounting and Financial Reporting for Pensions- an amendment of GASB Statement No. 27 as well as Statement No. 71, Pension Transition for Contributions made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68, effective July 1, 2014. The new standards significantly changed the County's accounting for pension amounts. As a result of this change in accounting principle, the County was required to restate beginning net position as shown below:

	Governmental Activities
Net position, as previously reported	$ 39,930,974
Restatement for implementation of GASB Statement No. 68:	
Net pension liability as of June 30, 2014	(133,953)
Removal of previously reported net pension asset, under GASB Statement No. 27	(221,214)
Net position, as restated	$ 39,575,807

	Health Department
Net position, as previously reported	$ 335,807
Restatement for implementation of GASB Statement No. 68:	
Net pension liability as of June 30, 2014	(875,132)
Net position, as restated	$ (539,325)

REQUIRED SUPPLEMENTARY INFORMATION
OTHER THAN MD&A

Polk County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget (GAAP) and Actual
For the Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes	$ 14,547,500	$ 15,422,050	$ 15,607,708	$ 185,658
Licenses and permits	88,000	91,500	92,229	729
Intergovernmental	762,450	1,237,150	1,240,790	3,640
Charges for services	742,000	1,123,900	1,307,608	183,708
Courts and law enforcement	866,700	863,875	877,261	13,386
Investment earnings and rents	400,000	353,000	362,562	9,562
Miscellaneous	241,962	326,325	201,134	(125,191)
Total Revenues	17,648,612	19,417,800	19,689,292	271,492
Expenditures				
Current:				
General government	3,990,968	3,353,290	3,222,134	131,156
Judicial	2,549,697	2,641,915	2,600,460	41,455
Public safety	8,091,567	7,878,374	7,829,492	48,882
Public works	2,938,669	3,205,000	3,201,095	3,905
Health and welfare	309,663	309,663	309,663	-
Culture and recreation	320,409	323,419	323,419	-
Planning and community development	869,827	816,087	805,367	10,720
Sanitation	560,760	550,000	870,514	(320,514)
Debt Service	17,200	17,200	16,762	438
Total Expenditures	19,648,760	19,094,948	19,178,906	(83,958)
(Deficiency) of Revenues (Under) Expenditures	(2,000,148)	322,852	510,386	187,534
Other Financing Sources (Uses)				
Sale of capital assets	35,000	27,000	27,990	990
Transfers in	1,240,000	-	326,607	326,607
Transfers out	(349,852)	(349,852)	(349,852)	-
Total Other Financing Sources (Uses)	925,148	(322,852)	4,745	327,597
Net Change in Fund Balance	$ (1,075,000)	$ -	515,131	$ 515,131
Fund Balances Beginning of Year			7,899,728	
Fund Balances End of Year			$ 8,414,859	

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Emergency Telephone Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget (GAAP) and Actual
For the Year Ended June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Charges for services	$ 650,000	$ 690,000	$ 694,159	$ 4,159	$ 664,288
Miscellaneous	7,041	650	392	(258)	181
Total Revenues	657,041	690,650	694,551	3,901	664,469
Expenditures					
Current					
Public safety	1,006,893	1,040,502	961,903	78,599	891,338
Total Expenditures	1,006,893	1,040,502	961,903	78,599	891,338
Excess (Deficiency) of Revenues Over (Under) Expenditures	(349,852)	(349,852)	(267,352)	82,500	(226,869)
Other Financing Sources (Uses)					
Transfers in	349,852	349,852	349,852	-	265,996
Net Change in Fund Balances	$ -	$ -	82,500	$ 82,500	39,127
Fund Balances (Deficits) Beginning of Year			(556,343)		(595,470)
Fund Balances (Deficits) End of Year			$ (473,843)		$ (556,343)

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Schedule of Funding Progress
June 30, 2015

Other Post-Employment Benefit Plan

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Unfunded AAL (2)-(1)	(4) Funded Ratio (1)/(2)	(5) Annual Covered Payroll	(6) UAAL As a Percentage of Covered payroll (2)-(1)/5
1/1/2009	$ -	$ 6,048,910	$ 6,048,910	0.0%	$ 6,852,049	88.30%
1/1/2011	-	8,724,354	8,724,354	0.0%	7,419,833	117.60%
1/1/2013	-	9,322,046	9,322,046	0.0%	7,044,087	132.34%
1/1/2015	-	9,535,686	9,535,686	0.0%	6,876,255	138.70%

OPEB actuarial valuation performed every other fiscal year

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Employee Pension Trust Fund
Schedule of Changes in the County's Net Pension Liability
June 30, 2015

	2015
Total pension liability	
Service cost	$ 220,586
Interest on total pension liability	1,028,668
Differences between expected and actual experience	-
Changes in assumptions and/or cost method	-
Benefit payments	(429,469)
Net change in total pension liability	819,785
Total pension liability - beginning	13,715,572
Total pension liability - ending (a)	$ 14,535,357
Plan fiduciary net positon	
Contribution - employer	$ 341,621
Contribution - employee	-
Net investment income	997,063
Benefit payments	(413,946)
Administrative expenses	(27,620)
Other changes	(108,390)
Net change in plan fiduciary net position	788,728
Plan fiduciary net positon - beginning	13,581,619
Plan fiduciary net positon - ending	$ 14,370,347
County's net pension liability (asset) - ending (a) - (b)	$ 165,010
Plan fiduciary net position as a percentage of the total pension liability	98.90%
Covered employee payroll	$ 5,248,780
Net pension liability as a percentage of covered employee payroll	3.10%

The schedule will present 10 years of information once it is accumulated

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Employee Pension Trust Fund
Schedule of County Contributions
June 30, 2015

	2015	2014
Actuarially determined contribution	$ 309,266	$ 484,349
Contributions in relation to the actuarially determined contribution	341,621	499,255
Contribution deficiency (excess)	$ (32,355)	$ (14,906)
Covered employee payroll	$ 5,248,780	$ 5,219,195
Contributions as a percentage of covered employee payroll	6.51%	9.56%

Notes to schedule:

(A) Actuarial Assumptions

Valuation Date	January 1, 2014
Cost Method	Entry age normal
Actuarial Asset Valuation Method	Smoothed market value with a 5-year smoothing period.
Assumed Rate of Return on Investments	7.50%
Projected Salary Increases	2.00%-4.50%, including 3.00% for inflation
Amortization Method	Closed level dollar for unfunded liability
Remaining Amortization Period	None remaining

(B) The schedule will present 10 years of information once it is accumulated

The accompanying notes are an integral part of these financial statements.

SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Polk County, Georgia
General Fund
Comparative Balance Sheet
June 30, 2015 and 2014

	2015	2014
Assets		
Cash and cash equivalents	$ 8,145,968	$ 7,557,520
Receivables		
Accounts	89,857	138,291
Taxes	889,540	1,002,914
Intergovernmental	1,032,254	1,067,250
Interest	685	500
Interfund	81	464
Advances	634,946	604,186
Inventory	72,688	32,843
Prepaid items	140,142	447,824
Total Assets	$ 11,006,161	$ 10,851,792
Liabilities and Fund Balances		
Liabilities		
Accounts and contracts payable	$ 840,423	$ 828,751
Accrued expenditures	769,666	594,824
Interfund payable	7,370	15,930
Intergovernmental payable	-	5,961
Total Liabilities	1,617,459	1,445,466
Deferred Inflows of Resources	973,843	1,506,598
Fund Balance		
Nonspendable:		
Prepaid items	140,142	447,824
Inventory	72,688	32,843
Advances to other funds	634,946	604,186
Unassigned	7,567,083	6,814,875
Total Fund Balances	8,414,859	7,899,728
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 11,006,161	$ 10,851,792

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
General Fund
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended June 30, 2015 and 2014

	2015	2014
Revenues		
Taxes	$ 15,607,708	$ 15,242,785
Licenses and permits	92,229	80,393
Intergovernmental	1,240,790	302,528
Charges for services	1,307,608	940,677
Courts and law enforcement	877,261	979,340
Investment earnings and rents	362,562	374,545
Other	201,134	267,843
Total Revenues	19,689,292	18,188,111
Expenditures		
Current		
General government	3,222,134	3,152,626
Judicial	2,600,460	2,471,202
Public safety	7,829,492	7,689,722
Public works	3,201,095	2,240,395
Planning/Community development	805,367	919,924
Health and welfare	309,663	334,663
Culture and recreation	323,419	322,899
Sanitation	870,514	504,299
Debt Service	16,762	7,145
Total Expenditures	19,178,906	17,642,875
(Deficiency) of Revenues (Under) Expenditures	510,386	545,236
Other Financing Sources (Uses)		
Sale of capital assets	27,990	31,133
Transfers in	326,607	60,000
Transfers out	(349,852)	(265,996)
Total Other Financing Sources (Uses)	4,745	(174,863)
Net Change in Fund Balances	515,131	370,373
Fund Balances Beginning of Year	7,899,728	7,529,355
Fund Balances End of Year	$ 8,414,859	$ 7,899,728

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget (GAAP) and Actual
For the Year Ended June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes					
General property tax	$ 8,981,500	$ 9,589,000	$ 9,655,937	$ 66,937	$ 9,332,973
Auto ad valorem and mobile home tax	1,081,000	1,454,000	1,465,986	11,986	1,473,221
Cost, penalties and interest	190,000	240,050	254,211	14,161	236,089
Intangible tax	110,000	85,000	85,521	521	96,382
Real estate transfer tax	16,000	28,000	28,568	568	28,418
Railroad equipment tax	26,000	30,000	30,308	308	24,250
Alcoholic beverage tax	110,000	120,000	121,876	1,876	120,133
Business license and franchise fees	183,000	226,000	234,330	8,330	203,171
Insurance premium tax	1,200,000	1,250,000	1,325,435	75,435	1,246,193
Local option sales tax	2,650,000	2,400,000	2,405,536	5,536	2,481,955
Total Taxes	14,547,500	15,422,050	15,607,708	185,658	15,242,785
Licenses and Permits	88,000	91,500	92,229	729	80,393
Intergovernmental					
Federal government	-	8,500	8,447	(53)	1,080
State of Georgia	712,450	1,161,900	1,161,963	63	268,369
Local governments	50,000	66,750	70,380	3,630	33,079
Total Intergovernmental	762,450	1,237,150	1,240,790	3,640	302,528
Charges for Services					
Tax Commissioner	423,000	503,100	506,409	3,309	499,219
Emergency medical service	-	1,000	1,147	147	384
Animal control	9,000	18,000	18,219	219	11,733
Airport fuel sales	-	101,800	215,588	113,788	191,375
Prisoner housing fees	310,000	500,000	566,245	66,245	237,966
Total Charges for Services	742,000	1,123,900	1,307,608	183,708	940,677
Courts and Law Enforcement					
Clerk of Superior Court	275,000	255,000	261,310	6,310	282,259
Probate Court	350,000	395,000	398,600	3,600	434,099
Juvenile Court	1,500	1,500	1,652	152	1,093
Magistrate Court	195,000	180,000	183,496	3,496	199,057
Bond Feitures	200	375	175	(200)	-
County ordinance	45,000	32,000	32,028	28	-
Probation costs - adult	-	-	-	-	62,832
Total Courts and Law Enforcement	866,700	863,875	877,261	13,386	979,340
Investment Earnings and Rents	400,000	353,000	362,562	9,562	374,545
Miscellaneous	241,962	326,325	201,134	(125,191)	267,843
Total Revenues	17,648,612	19,417,800	19,689,292	271,492	18,188,111

(continued)

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget (GAAP) and Actual
For the Year Ended June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

(continued)

	2015				2014
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Expenditures					
Current					
General Government					
Administration	$ 1,878,198	1,272,440	$ 1,185,136	$ 87,304	$ 1,117,285
Information system	63,088	81,000	78,552	2,448	62,132
Tax Assessor	552,890	510,000	490,602	19,398	471,867
Tax Commissioner	512,754	510,000	499,288	10,712	488,993
Public buildings	841,400	841,400	835,017	6,383	891,416
General appropriations	14,500	15,450	14,868	582	14,711
Election and registrar	128,138	123,000	118,671	4,329	106,222
Total General Government	3,990,968	3,353,290	3,222,134	131,156	3,152,626
Judicial					
Superior Court	272,915	387,915	384,206	3,709	389,949
District Attorney	176,234	185,000	184,338	662	170,706
Clerk of Superior Court	655,001	640,000	626,105	13,895	574,033
Magistrate Court	397,160	372,000	364,457	7,543	379,553
Probate Court	339,501	368,000	366,775	1,225	356,360
Juvenile Court	287,508	298,000	296,277	1,723	258,778
Probation	79,743	82,000	80,799	1,201	73,400
Public Defender	296,040	257,000	247,173	9,827	226,758
Coroner	45,595	52,000	50,330	1,670	41,665
Total Judicial	2,549,697	2,641,915	2,600,460	41,455	2,471,202
Public safety					
County Police	2,650,655	2,640,000	2,630,055	9,945	2,373,612
Drug Task Force	30,000	10,000	8,000	2,000	215,625
Sheriff	4,250,499	4,250,499	4,234,662	15,837	4,094,834
Jail	468,260	366,040	362,027	4,013	390,672
Emergency Management Agency	167,179	148,000	143,799	4,201	113,861
Fire services	216,675	173,000	166,669	6,331	221,342
Animal control	294,264	276,800	271,025	5,775	266,521
Forestry Service	14,035	14,035	13,255	780	13,255
Total Public Safety	8,091,567	7,878,374	7,829,492	48,882	7,689,722
Public Works	2,938,669	3,205,000	3,201,095	3,905	2,240,395
Planning/Community Development					
Planning and zoning	49,495	49,495	48,468	1,027	45,833
Permits and inspections	175,040	160,000	153,218	6,782	153,048
Development authority	257,773	282,773	282,773	-	257,773
Keep Polk Beautiful	14,070	14,070	14,070	-	14,070
Northwest Georgia Regional Commission	27,500	27,500	27,233	267	27,269
Cooperative Extension Service	62,249	62,249	59,903	2,346	56,340
Airport	283,700	220,000	219,702	298	365,591
Total Planning/Community Development	869,827	816,087	805,367	10,720	919,924

(continued)

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget (GAAP) and Actual
For the Year Ended June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

(continued)

	2015				2014
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Expenditures					
Current					
Sanitation	$ 560,760	$ 550,000	$ 870,514	$ (320,514)	$ 504,299
Culture and Recreation					
Library	117,919	117,919	117,919	-	117,919
Recreation	202,490	205,500	205,500	-	204,980
Total Culture and Recreation	320,409	323,419	323,419	-	322,899
Health and Welfare					
General Health	197,955	197,955	197,955	-	222,955
Mental health	40,000	40,000	40,000	-	40,000
Family and Children Services	71,708	71,708	71,708	-	71,708
Total Health and Welfare	309,663	309,663	309,663	-	334,663
Debt Service	17,200	17,200	16,762	438	7,145
Total Expenditures	19,648,760	19,094,948	19,178,906	(83,958)	17,642,875
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,000,148)	322,852	510,386	187,534	545,236
Other Financing Sources (Uses)					
Sale of capital assets	35,000	27,000	27,990	990	31,133
Transfers in	1,240,000	-	326,607	326,607	60,000
Transfers out	(349,852)	(349,852)	(349,852)	-	(265,996)
Total Other Financing Sources (Uses)	925,148	(322,852)	4,745	327,597	(174,863)
Net Change in Fund Balances	$ (1,075,000)	$ -	515,131	$ 515,131	370,373
Fund Balances Beginning of Year			7,899,728		7,529,355
Fund Balances End of Year			$ 8,414,859		$ 7,899,728

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Combining Balance Sheet - By Fund Type
Nonmajor Governmental Funds
June 30, 2015

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets			
Cash and cash equivalents	$ 652,449	$ 52	$ 652,501
Receivables:			
Intergovernmental	7,925	1,882	9,807
Interfund	9,234	-	9,234
Total Assets	$ 669,608	$ 1,934	$ 671,542
Liabilities and Fund Balances			
Liabilities			
Accounts payable	$ 7,596	$ -	$ 7,596
Interfund payable	1,945	-	1,945
Total Liabilities	12,584	-	12,584
Fund balances			
Restricted for			
Capital projects	-	1,934	1,934
Program purposes	651,124	-	651,124
Assigned	5,900	-	5,900
Total Fund Balances	657,024	1,934	658,958
Total Liabilities and Fund Balances	$ 669,608	$ 1,934	$ 671,542

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - by Fund Type

Nonmajor Governmental Funds

For the Year Ended June 30, 2015

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues			
Charges for services	$ 19,747	$ -	$ 19,747
Fines and forfeitures	204,799	-	204,799
Intergovernmental	-	-	-
Investment earnings	261	-	261
Miscellaneous	35,555	-	35,555
Total Revenues	260,362	-	260,362
Expenditures			
Current			
Judicial	60,636	-	60,636
Public safety	160,186	-	160,186
Intergovernmental	-	-	-
Total Expenditures	220,822	3,124	223,946
Excess (Deficiency) of Revenues Over (Under) Expenditures	39,540	(3,124)	36,416
Other Financing Sources (Uses)			
Transfers in	30,427	-	30,427
Transfers out	(30,427)	-	(30,427)
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balances	39,540	(3,124)	36,416
Fund Balances Beginning of Year	617,484	5,058	622,542
Fund Balances End of Year	$ 657,024	$ 1,934	$ 658,958

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2015

	Law Library	Crime Victim Assistance	Drug Abuse Treatment and Education	Law Enforcement Confiscated Monies County Police	Law Enforcement Confiscated Monies Sheriff	County Jail	District Attorney	Juvenile Probation	Clerk of Superior Court Special Fee	Sheriff Other Programs	Total Nonmajor Special Revenue Funds
Assets											
Cash and cash equivalents	$ 72,816	$ 728	$ 7,629	$ 79,893	$ 6,322	$ 218,137	$ 81,589	$ 95,752	$ 83,647	$ 5,936	$ 652,449
Receivables											
Intergovernmental	-	2,249	3,896	-	-	-	-	-	1,780	-	7,925
Interfund	1,382	2,230	443	-	-	3,921	1,258	-	-	-	9,234
Total Assets	$ 74,198	$ 5,207	$ 11,968	$ 79,893	$ 6,322	$ 222,058	$ 82,847	$ 95,752	$ 85,427	$ 5,936	$ 669,608
Liabilities and Fund Balances											
Liabilities											
Accounts payable	$ 429	$ 3,775	$ 3,392	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 7,596
Interfund payable	-	1,258	-	-	45	-	606	-	-	36	1,945
Intergovernmental payable	-	-	3,043	-	-	-	-	-	-	-	3,043
Total liabilities	429	5,033	6,435	-	45	-	606	-	-	36	12,584
Fund Balances											
Restricted for:											
Public Safety	-	-	-	-	-	222,058	82,241	-	-	-	304,299
Program purposes	73,769	174	5,533	79,893	6,277	-	-	95,752	85,427	-	346,825
Assigned	-	-	-	-	-	-	-	-	-	5,900	5,900
Total Fund Balances	73,769	174	5,533	79,893	6,277	222,058	82,241	95,752	85,427	5,900	657,024
Total Liabilities and Fund Balances	$ 74,198	$ 5,207	$ 11,968	$ 79,893	$ 6,322	$ 222,058	$ 82,847	$ 95,752	$ 85,427	$ 5,936	$ 669,608

Polk County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
June 30, 2015

	Law Library	Crime Victim Assistance	Drug Abuse Treatment and Education	Law Enforcement Confiscated Monies County Police	Law Enforcement Confiscated Monies Sheriff	County Jail	District Attorney	Juvenile Probation	Clerk of Superior Court Special Fee	Sheriff Other Programs	Total Nonmajor Special Revenue Funds
Revenues											
Charges for services	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 19,747	$ -	$ 19,747
Fines and forfeitures	17,092	41,880	39,151	10,743	5,054	42,123	47,966	790	-	-	204,799
Investment earnings and rents	76	-	5	27	3	103	-	47	-	-	261
Miscellaneous	-	-	-	-	-	-	-	-	-	35,555	35,555
Total Revenues	17,168	41,880	39,156	10,770	5,057	42,226	47,966	837	19,747	35,555	260,362
Expenditures											
Current:											
Judicial	10,414	-	-	-	-	-	35,860	4,781	9,581	-	60,636
Public safety	-	31,279	43,498	25,579	4,899	20,254	-	-	-	34,677	160,186
Total Expenditures	10,414	31,279	43,498	25,579	4,899	20,254	35,860	4,781	9,581	34,677	220,822
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,754	10,601	(4,342)	(14,809)	158	21,972	12,106	(3,944)	10,166	878	39,540
Other Financing Sources (Uses)											
Transfers in	-	-	-	20,000	-	-	10,427	-	-	-	30,427
Transfers out	-	(10,427)	-	-	-	-	(20,000)	-	-	-	(30,427)
Total Other Financing Sources (Uses)	-	(10,427)	-	20,000	-	-	(9,573)	-	-	-	-
Net Change in Fund Balances	6,754	174	(4,342)	5,191	158	21,972	2,533	(3,944)	10,166	878	39,540
Fund Balances Beginning of Year	67,015	-	9,875	74,702	6,119	200,086	79,708	99,696	75,261	5,022	617,484
Fund Balances End of Year	$ 73,769	$ 174	$ 5,533	$ 79,893	$ 6,277	$ 222,058	$ 82,241	$ 95,752	$ 85,427	$ 5,900	$ 657,024

Polk County, Georgia
Law Library Fund
Comparative Balance Sheet
June 30, 2015 and 2014

	2015	2014
Assets		
Cash and cash equivalents	$ 72,816	$ 65,985
Interfund receivable	1,382	1,445
Total Assets	$ 74,198	$ 67,430
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 429	$ 415
Total Liabilities	429	415
Fund Balances		
Restricted	73,769	67,015
Total Liabilities and Fund Balances	$ 74,198	$ 67,430

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Law Library Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Fines and forfeitures	$ 17,000	$ 17,000	$ 17,092	$ 92	$ 19,175
Investment earnings	50	50	76	26	76
Total Revenues	17,050	17,050	17,168	118	19,251
Expenditures					
Current					
Judicial	17,050	17,050	10,414	6,636	10,042
Excess of Revenues Over Expenditures	-	-	6,754	6,754	9,209
Other Financing (Uses)					
Transfers out	-	-	-	-	(20,000)
Net Change in Fund Balances	-	-	6,754	6,754	(10,791)
Fund Balances Beginning of Year	67,015	67,015	67,015	-	77,806
Fund Balances End of Year	$ 67,015	$ 67,015	$ 73,769	$ 6,754	$ 67,015

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Crime Victim Assistance Fund
Comparative Balance Sheet
June 30, 2015 and 2014

	2015	2014
Assets		
Cash and cash equivalents	$ 728	$ 554
Interfund receivable	2,230	1,658
Intergovernmental receivable	2,249	1,838
Total Assets	$ 5,207	$ 4,050
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 3,775	$ 3,038
Interfund payable	1,258	1,012
Total Liabilities	5,033	4,050
Fund Balances		
Restricted	174	-
Total Fund Balances	174	-
Total Liabilities and Fund Balances	$ 5,207	$ 4,050

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Crime Victim Assistance Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Fines and forfeitures	$ 36,000	$ 41,708	$ 41,880	$ 172	$ 41,004
Total Revenues	36,000	41,708	41,880	172	41,004
Expenditures					
Current					
Public safety	27,000	31,281	31,279	2	30,878
Excess of Revenues Over Expenditures	9,000	10,427	10,601	174	10,126
Other Financing (Uses)					
Transfers out	(9,000)	(10,427)	(10,427)	-	(10,126)
Net Change in Fund Balances	-	-	174	-	-
Fund Balances Beginning of Year	-	-	-	-	-
Fund Balances End of Year	$ -	$ -	$ 174	$ -	$ -

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Drug Abuse Treatment and Education Fund
Comparative Balance Sheet
June 30, 2015 and 2014

	2015	2014
Assets		
Cash and cash equivalents	$ 7,629	$ 7,188
Interfund receivable	443	1,003
Intergovernmental receivable	3,896	1,684
	$ 11,968	$ 9,875
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 3,392	$ -
Intergovernmental payable	3,043	-
Total Liabilities	6,435	-
Fund Balances		
Restricted	$ 5,533	$ 9,875
Total Liabilities and Fund Balances	$ 11,968	$ 9,875

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Drug Abuse Treatment and Education Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Fines and forfeitures	$ 30,000	$ 43,500	$ 39,151	$ (4,349)	$ 40,643
Investment earnings			5	5	7
Total Revenues	30,000	43,500	39,156	(4,344)	40,650
Expenditures					
Current					
Public safety	30,000	43,500	43,498	2	48,683
Excess of Revenues Over Expenditures	$ -	$ -	(4,342)	$ (4,342)	(8,033)
Fund Balances Beginning of Year			9,875		17,908
Fund Balances End of Year			$ 5,533		$ 9,875

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Law Enforcement Confiscated Monies - County Police Fund
Comparative Balance Sheet
June 30, 2015 and 2014

	2015	2014
Assets		
Cash and cash equivalents	$ 79,893	$ 67,353
Interfund receivable	-	7,349
	$ 79,893	$ 74,702
Liabilities and Fund Balances		
Liabilities		
Fund Balances		
Restricted	79,893	74,702
	$ 79,893	$ 74,702

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Law Enforcement Confiscated Monies - County Police Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Fines and forfeitures	$ -	$ 21,500	$ 10,743	$ (10,757)	$ 25,395
Investment earnings	-	30	27	(3)	54
Total Revenues	-	21,530	10,770	(10,760)	25,449
Expenditures					
Current					
Public safety	18,400	38,030	25,579	12,451	77,114
Excess (Deficiency) of Revenues Over (Under) Expenditures	(18,400)	(16,500)	(14,809)	1,691	(51,665)
Other Financing Sources (Uses)					
Transfer in	-	-	20,000	20,000	-
Total Other Financing Sources (Uses)	-	-	20,000	20,000	-
Net Change in Fund Balances	(18,400)	(16,500)	5,191	21,691	(51,665)
Fund Balances Beginning of Year			74,702		126,367
Fund Balances End of Year			$ 79,893		$ 74,702

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Law Enforcement Confiscated Monies - Sheriff Fund
Comparative Balance Sheet
June 30, 2015 and 2014

	2015	2014
Assets		
Cash and cash equivalents	$ 6,322	$ 6,119
Liabilities and Fund Balances		
Liabilities		
Interfund payable	$ 45	$ -
	45	-
Fund Balances		
Restricted	6,277	6,119
Total Liabilities and Fund Balances	$ 6,322	$ 6,119

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Law Enforcement Confiscated Monies - Sheriff Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Fines and Forfeitures	$ -	-	5,054	$ 5,054	$ 145
Investment earnings	-	-	3	3	3
Total Revenues	-	-	5,057	5,057	148
Expenditures					
Current					
Public safety	8,200	8,200	4,899	3,301	1,378
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,200)	(8,200)	158	8,358	(1,230)
Fund Balances Beginning of Year	6,119	6,119	6,119	-	7,349
Fund Balances End of Year	$ (2,081)	$ (2,081)	$ 6,277	$ 8,358	$ 6,119

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
County Jail Fund
Comparative Balance Sheet
June 30, 2015 and 2014

	2015	2014
Assets		
Cash and cash equivalents	$ 218,137	$ 195,656
Interfund receivable	3,921	4,430
Total Assets	$ 222,058	$ 200,086
Fund Balances		
Restricted	222,058	200,086
Total Liabilities and Fund Balances	$ 222,058	$ 200,086

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
County Jail Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Fines and forfeitures	$ 41,600	$ 40,860	$ 42,123	$ 1,263	$ 51,390
Investment earnings	100	100	103	3	126
Total Revenues	41,700	40,960	42,226	1,266	51,516
Expenditures					
Current					
Public safety	1,700	40,960	20,254	20,706	15,020
Excess of Revenues Over Expenditures	40,000	-	21,972	21,972	36,496
Other Financing (Uses)					
Transfers out	(40,000)	-	-	-	(40,000)
Net Change in Fund Balances	$ -	$ -	21,972	$ 21,972	(3,504)
Fund Balances Beginning of Year			200,086		203,590
Fund Balances End of Year			$ 222,058		$ 200,086

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
District Attorney Fund
Comparative Balance Sheet
June 30, 2015 and 2014

	2015	2014
Assets		
Cash and cash equivalents	$ 81,589	$ 78,696
Interfund receivables	1,258	1,012
Total Assets	$ 82,847	$ 79,708
Liabilities		
Interfund payable	$ 606	$ -
	606	-
Fund Balances		
Restricted	82,241	79,708
Total Liabilities and Fund Balances	$ 82,847	$ 79,708

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
District Attorney Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Fines and forfeitures	$ 8,100	$ 8,100	$ 47,966	$ 39,866	$ 25,513
Total Revenues	8,100	8,100	47,966	39,866	25,513
Expenditures					
Current					
Judicial	8,100	8,100	35,860	(27,760)	47,859
Excess of Revenues Over Expenditures	-	-	12,106	12,106	(22,346)
Other Financing Sources (Uses)					
Transfers in	-	-	10,427	10,427	10,126
Transfers out	-	-	(20,000)	(20,000)	
	-	-	(9,573)	(9,573)	10,126
Net Change in Fund Balances	-	-	2,533	2,533	(12,220)
Fund Balances Beginning of Year	79,708	79,708	79,708	-	91,928
Fund Balances End of Year	$ 79,708	$ 79,708	$ 82,241	$ 2,533	$ 79,708

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Juvenile Probation Fund
Comparative Balance Sheet
June 30, 2015 and 2014

	2015	2014
Assets		
Cash and cash equivalents	$ 95,752	$ 100,115
Interfund receivable	-	45
Total Assets	$ 95,752	$ 100,160
Liabilities and Fund Balances		
Liabilities		
Interfund payable	$ -	$ 464
	-	464
Fund Balances		
Restricted	95,752	99,696
Total Liabilities and Fund Balances	$ 95,752	$ 100,160

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Juvenile Probation Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Fines and forfeitures	$ 1,800	$ 800	$ 790	$ (10)	$ 1,185
Investment earnings	50	50	47	(3)	51
Total Revenues	1,850	850	837	(13)	1,236
Expenditures					
Current					
Judicial	1,850	4,850	4,781	69	4,966
Excess of Revenues Over Expenditures	$ -	$ (4,000)	(3,944)	$ 56	(3,730)
Fund Balances Beginning of Year			99,696		103,426
Fund Balances End of Year			$ 95,752		$ 99,696

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Clerk of Superior Court Special Fee Fund
Comparative Balance Sheet
June 30, 2015 and 2014

	2015	2014
Assets		
Cash and cash equivalents	$ 83,647	$ 73,578
Intergovernmental receivable	1,780	1,683
Total Assets	$ 85,427	$ 75,261
Liabilities and Fund Balances		
Fund Balances		
Restricted	85,427	75,261
Total Liabilities and Fund Balances	$ 85,427	$ 75,261

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Clerk of Superior Court Special Fee Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Charges for services	$ 18,000	$ 19,500	$ 19,747	$ 247	$ 19,018
Total Revenues	18,000	19,500	19,747	247	19,018
Expenditures					
Current					
Judicial	18,000	19,500	9,581	9,919	14,552
Excess of Revenues Over Expenditures	$ -	$ -	10,166	$ 10,166	4,466
Fund Balances Beginning of Year			75,261		70,795
Fund Balances End of Year			$ 85,427		$ 75,261

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Sheriff - Other Programs
Comparative Balance Sheet
June 30, 2015 and 2014

	2015	2014
Assets		
Cash and cash equivalents	$ 5,936	$ 5,022
Total Assets	$ 5,936	$ 5,022
Liabilities and Fund Balances		
Liabilities		
Interfund payable	$ 36	$ -
	36	-
Fund Balances		
Assigned	5,900	5,022
Total Liabilities and Fund Balances	$ 5,936	$ 5,022

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Sheriff - Other Programs
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Miscellaneous	$ -	$ -	$ 35,555	$ 35,555	$ 49,368
Total Revenues	-	-	35,555	35,555	49,368
Expenditures					
Current					
Public Safety	5,800	5,800	34,677	(28,877)	47,944
Excess of Revenues Over Expenditures	$ (5,800)	$ (5,800)	878	$ 6,678	1,424
Net Change in Fund Balances					
Fund Balances Beginning of Year			5,022		3,598
Fund Balances End of Year			$ 5,900		$ 5,022

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
2014 SPLOST Fund
Comparative Balance Sheet
June 30, 2015 and 2014

	2015	2014
Assets		
Cash and cash equivalents	$ 1,963,635	$ -
Interfund receivable	-	-
Intergovernmental receivable	391,287	-
Total Assets	$ 2,354,922	$ -
Liabilities and Fund Balances		
Liabilities		
Intergovernmental payable	$ 201,660	$ -
	201,660	-
Fund Balances		
Restricted for capital projects	2,153,262	
Total Liabilities and Fund Balances	$ 2,354,922	$ -

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
2014 SPLOST Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Project Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2015

	Project Authorization	Prior Years	Current Year	Total to Date
Revenues				
Sales taxes	$ 36,111,000	$ -	$ 4,518,997	$ 4,518,997
Intergovernmental	-	-	-	-
Miscellaneous	-	-	-	-
Investment earnings	-	-	1,255	1,255
Total Revenues	36,111,000	-	4,520,252	4,520,252
Expenditures				
Intergovernmental	16,712,000	-	2,091,391	2,091,391
Capital Outlay				
General government	3,150,000	-	-	-
Public safety	6,089,000	-	275,599	275,599
Public works	7,660,000	-	-	-
Recreation	1,200,000	-	-	-
Economic Development	1,300,000	-	-	-
Total Expenditures	36,111,000	-	2,366,990	2,366,990
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	2,153,262	2,153,262
Other Financing Sources (Uses)				
Transfers out	-		-	-
Total Other Financing Sources (Uses)	-		-	-
Net Change in Fund Balances	$ -	-	2,153,262	$ 2,153,262
Fund Balances Beginning of Year			-	
Fund Balances End of Year			$ 2,153,262	

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
2008 SPLOST Fund
Comparative Balance Sheet
June 30, 2015 and 2014

	2015	2014
Assets		
Cash and cash equivalents	$ 3,702,714	$ 4,355,775
Accounts receivable	100	-
Intergovernmental receivable	46,371	494,310
Total Assets	$ 3,749,185	$ 4,850,085
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ 103,716
Intergovernmental payable	-	228,767
	-	332,483
Fund Balances		
Restricted for capital projects	3,749,185	4,517,602
Total Liabilities and Fund Balances	$ 3,749,185	$ 4,850,085

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
2008 SPLOST Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Project Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2015

	Project Authorization	Prior Years	Current Year	Total to Date
Revenues				
Sales taxes	$ 36,000,000	$ 28,765,843	$ -	$ 28,765,843
Intergovernmental	-	2,004,109	-	2,004,109
Miscellaneous	-	6,065	-	6,065
Investment earnings	-	9,629	1,581	11,210
Total Revenues	36,000,000	30,785,646	1,581	30,787,227
Expenditures				
Intergovernmental	16,660,800	14,212,833	-	14,212,833
Capital Outlay				
General government	4,190,000	773,478	4,480	777,958
Public safety	4,765,000	3,812,195	163,097	3,975,292
Public works	4,200,000	5,710,651	540,069	6,250,720
Health and Welfare	2,308,000	14,344		14,344
Recreation	1,270,000	30,000	13,643	43,643
Housing and Development	2,606,200	1,504,316	48,709	1,553,025
Total Expenditures	36,000,000	26,057,817	769,998	26,827,815
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	4,727,829	(768,417)	3,959,412
Other Financing Sources (Uses)				
Transfers out	-	(210,227)	-	(210,227)
Total Other Financing Sources (Uses)	-	(210,227)	-	(210,227)
Net Change in Fund Balances	$ -	4,517,602	(768,417)	$ 3,749,185
Fund Balances Beginning of Year			4,517,602	
Fund Balances End of Year			$ 3,749,185	

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Nonmajor Capital Projects Funds
Combining Balance Sheet
June 30, 2015

	2003 SPLOST Projects	Total
Assets		
Cash and cash equivalents	$ 52	$ 52
Intergovernmental receivable	1,882	1,882
Total Assets	$ 1,934	$ 1,934
Liabilities and Fund Balances		
Fund Balances		
Restricted	$ 1,934	$ 1,934
Total Fund Balances	1,934	1,934
Total Liabilities and Fund Balances	$ 1,934	$ 1,934

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Nonmajor Capital Projects Fund
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2015

	2003 SPLOST	Total
Revenues		
Total Revenues	-	-
Expenditures		
Intergovernmental	-	-
Capital Outlay		
Public works	3,124	3,124
Total Expenditures	3,124	3,124
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,124)	(3,124)
Fund Balances Beginning of Year	5,058	5,058
Fund Balances End of Year	$ 1,934	$ 1,934

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
2003 SPLOST Fund
Comparative Balance Sheet
June 30, 2015 and 2014

	2015	2014
Assets		
Cash and cash equivalents	$ 52	$ 3,176
Intergovernmental receivable	1,882	1,882
Total Assets	$ 1,934	$ 5,058
Liabilities and Fund Balances		
Fund Balances		
Restricted for capital outlay	1,934	5,058
Total Liabilities and Fund Balances	$ 1,934	$ 5,058

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
2003 SPLOST Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Project Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2015

	Project Authorization	Prior Years	Current Year	Total to Date
Revenues				
Sales taxes	$ 22,000,000	$ 22,537,990	$ -	$ 22,537,990
Intergovernmental	-	2,309,466	-	2,309,466
Miscellaneous	-	74,112	-	74,112
Investment earnings	-	67,677	-	67,677
Total Revenues	22,000,000	24,989,245	-	24,989,245
Expenditures				
Current				
General government	-	28,913	-	28,913
Intergovernmental	10,650,000	10,908,793	-	10,908,793
Capital Outlay				
General government	-	719,175	-	719,175
Public safety	6,500,000	3,969,710	-	3,969,710
Public works	4,850,000	7,294,939	3,124	7,298,063
Recreation	-	1,600,000	-	1,600,000
Debt Service				
Loan costs	-	14,485	-	14,485
Principal	-	6,899,780	-	6,899,780
Interest	-	448,444	-	448,444
Total Expenditures	22,000,000	31,884,239	3,124	31,887,363
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(6,894,994)	(3,124)	(6,898,118)
Other Financing Sources (Uses)				
Transfers in	-	52	-	52
Transfers out	-	-	-	-
Inception of installment contract obligation	-	6,900,000	-	6,900,000
Total Other Financing Sources (Uses)	-	6,900,052	-	6,900,052
Net Change in Fund Balances	$ -	$ 430,603	(3,124)	$ 1,934
Fund Balances Beginning of Year			5,058	
Fund Balances End of Year			$ 1,934	

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Solid Waste Fund
Comparative Statement of Net Position
June 30, 2015 and 2014

	2015	2014
Assets		
Current Assets		
Cash and cash equivalents	$ 7,924,625	$ 6,781,190
Receivables		
Accounts	134,665	126,769
Interest	-	2,864
Total Current Assets	8,059,290	6,910,823
Noncurrent Assets		
Restricted Assets		
Cash and cash equivalents	2,371,842	2,207,004
Capital Assets		
Land	150,186	150,186
Depreciable capital assets, net	20,921	33,225
Total Noncurrent Assets	2,542,949	2,390,415
Total Assets	10,602,239	9,301,238
Liabilities		
Current Liabilities		
Accounts payable	2,939	7,626
Deferred revenue	5,000	5,000
Total Current Liabilities	7,939	12,626
Long-Term Liabilities		
Deferred income - postclosure trust agreement	2,319,789	2,154,951
Landfill closure and postclosure care costs	713,701	885,814
Total Long-Term Liabilities	3,033,490	3,040,765
Total Liabilities	3,041,429	3,053,391
Net Position		
Invested in capital assets	171,107	183,411
Unrestricted	7,389,703	6,064,436
Total Net Position	$ 7,560,810	$ 6,247,847

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Solid Waste Fund
Comparative Statement of Revenues,
Expenses and Changes in Net Position
For the Years Ended June 30, 2015 and 2014

	2015	2014
Operating Revenues		
Rental and royalty fees	$ 1,586,621	$ 1,529,112
Recycling sales	19,775	18,684
Total Operating Revenues	1,606,396	1,547,796
Operating Expenses		
Operating	(40,260)	51,912
Depreciation	12,304	12,304
Total Operating Expenses	(27,956)	64,216
Operating Income	1,634,352	1,483,580
Non-Operating Revenues (Expenses)		
Investment earnings	5,218	2,372
Total Non-Operating Revenues (Expenses)	5,218	2,372
Income before Transfers	1,639,570	1,485,952
Transfers out	(326,607)	-
Change in Net Position	1,312,963	1,485,952
Net Position Beginning of Year	6,247,847	4,761,895
Net Position End of Year	$ 7,560,810	$ 6,247,847

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Solid Waste Fund
Comparative Statement of Cash Flows
For the Years Ended June 30, 2015 and 2014

	2015	2014
Cash Flows from Operating Activities		
Cash received from customers	$ 1,598,500	$ 1,551,192
Cash payments for goods and services	(136,540)	(82,635)
Net Cash Provided by Operating Activities	1,461,960	1,468,557
Cash Flows from Noncapital Financing Activities		
Transfer to other funds	(326,607)	(420,000)
Postclosure trust funding by lessee	162,790	162,790
Net Cash Provided by (Used in) Noncapital Financing Activities	(163,817)	(257,210)
Cash Flows from Investing Activities		
Investment earnings	10,130	1,475
Net Increase (Decrease) in Cash and Cash Equivalents	1,308,273	1,212,822
Cash and Cash Equivalents Beginning of Year	8,988,194	7,775,372
Cash and Cash Equivalents End of Year	$ 10,296,467	$ 8,988,194

(continued)

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Solid Waste Fund
Comparative Statement of Cash Flows
For the Years Ended June 30, 2015 and 2014

(continued)

	2015	2014
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities		
Operating Income	$ 1,634,352	$ 1,483,580
Adjustments		
Depreciation	12,304	12,304
(Increase) Decrease in Assets		
Accounts receivable	(7,896)	3,396
Increase (Decrease) in Liabilities		
Accounts payable	(4,687)	7,626
Landfill Postclosure adjustment	(172,113)	(38,349)
Net Cash Provided by Operating Activities	$ 1,461,960	$ 1,468,557

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Agency Funds
Comparative Statement of Fiduciary Assets and Liabilities
June 30, 2015 and 2014

	2015	2014
Assets		
Cash and cash equivalents	$ 499,045	$ 836,514
Receivables		
Accounts	19,272	2,954
Property taxes	1,331,236	1,344,447
Total Assets	$ 1,849,553	$ 2,183,915
Liabilities		
Due to others	$ 1,849,553	$ 2,183,915
Total Liabilities	$ 1,849,553	$ 2,183,915

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Agency Funds
Combining Statement of Fiduciary Assets and Liabilities
June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

	2015									2014
	Tax Commissioner	Clerk of Superior Court	Magistrate Court	Sheriff	Probate Court	County Probation	Police Seized Property	Juvenile Court	Total	Total
Assets										
Cash and cash equivalents	$ 123,196	$ 14,325	$ 9,158	$ 215,359	$ 28,421	$ 4,319	$ 104,189	$ 78	$ 499,045	$ 836,514
Receivable (net of allowance for uncollectibles)										
Property taxes	1,331,236	-	-	-	-	-	-	-	1,331,236	1,344,447
Accounts	7,488	10,462	-	-	1,322	-	-	-	19,272	2,954
Total Assets	$ 1,461,920	$ 24,787	$ 9,158	$ 215,359	$ 29,743	$ 4,319	$ 104,189	$ 78	$ 1,849,553	$ 2,183,915
Liabilities										
Due to others	$ 1,461,920	$ 24,787	$ 9,158	$ 215,359	$ 29,743	4,319	$ 104,189	$ 78	$ 1,849,553	$ 2,183,915
Total Liabilities	$ 1,461,920	$ 24,787	$ 9,158	$ 215,359	$ 29,743	$ 4,319	$ 104,189	$ 78	$ 1,849,553	$ 2,183,915

Polk County, Georgia
Agency Funds
Combining Statement of Changes in Fiduciary Assets and Liabilities
For the Year Ended June 30, 2015

(continued)

Tax Commissioner	Balance July 1, 2014	Additions	Deductions	Reclassify Cash and Interfund Payable	Balance June 30, 2015
Assets					
Cash and cash equivalents	$ 143,977	$ 31,917,133	$ 31,937,914	$ -	$ 123,196
Accounts receivable	9,746	-	2,258	-	7,488
Taxes receivable	1,517,399	-	186,163	-	1,331,236
Total Assets	$ 1,671,122	$ 31,917,133	$ 32,126,335	$ -	$ 1,461,920
Liabilities					
Interfund payable	$ -	$ 11,966,750	$ 11,966,750	$ -	$ -
Due to others	1,671,122	19,950,383	20,159,585	-	1,461,920
Total Liabilities	$ 1,671,122	$ 31,917,133	$ 32,126,335	$ -	$ 1,461,920

Superior Court	Balance July 1, 2014	Additions	Deductions	Reclassify Cash and Interfund Payable	Balance June 30, 2015
Assets					
Cash and cash equivalents	$ 23,013	$ 642,766	$ 620,172	$ (31,282)	$ 14,325
Accounts receivable	-	10,462	-	-	10,462
	$ 337,464	$ 653,228	$ 620,172	$ (31,282)	$ 24,787
Liabilities					
Interfund payable	$ -	$ 292,738	$ 261,456	$ (31,282)	$ -
Due to others	23,013	360,490	358,716	-	24,787
Total Liabilities	$ 23,013	$ 653,228	$ 620,172	$ (31,282)	$ 24,787

Magistrate Court	Balance July 1, 2014	Additions	Deductions	Reclassify Cash and Interfund Payable	Balance June 30, 2015
Assets					
Cash and cash equivalents	$ 6,946	$ 425,502	$ 423,290		$ 9,158
Accounts receivable	104	-	104	-	-
Total Assets	$ 7,050	$ 425,502	$ 423,394	$ -	$ 9,158
Liabilities					
Interfund payable	$ -	$ 200,747	$ 200,747	$ -	$ -
Due to others	7,050	224,755	222,647	-	9,158
Total Liabilities	$ 7,050	$ 425,502	$ 423,394	$ -	$ 9,158

The accompanying notes are an integral part of these financial statements.

Polk County, Georgia
Agency Funds
Combining Statement of Changes in Fiduciary Assets and Liabilities
For the Year Ended June 30, 2015

(continued)

Sheriff	Balance July 1, 2014	Additions	Deductions	Reclassify Cash and Interfund Payable	Balance June 30, 2015
Assets					
Cash and cash equivalents	$ 226,346	$ 601,930	$ 587,910	$ (25,007)	$ 215,359
Accounts receivable	-	12,606		(12,606)	-
Intergovernmental receivable	-	58,944		(58,944)	-
Total Assets	$ 226,346	$ 673,480	$ 587,910	$ (96,557)	$ 215,359
Liabilities					
Interfund payable	$ -	$ 594,542	$ 497,985	$ (96,557)	$ -
Due to others	226,346	78,938	89,925	-	215,359
Total Liabilities	$ 226,346	$ 673,480	$ 587,910	$ (96,557)	$ 215,359

Probate Court	Balance July 1, 2014	Additions	Deductions	Reclassify Cash and Interfund Payable	Balance June 30, 2015
Assets					
Cash and cash equivalents	$ 29,800	$ 585,493	$ 537,887	$ (48,985)	$ 28,421
Accounts receivable	1,306	16			1,322
Total Assets	$ 31,106	$ 585,509	$ 537,887	$ (48,985)	$ 29,743
Liabilities					
Interfund payable	$ -	$ 470,968	$ 421,983	$ (48,985)	$ -
Due to others	31,106	114,541	115,904	-	29,743
Total Liabilities	$ 31,106	$ 585,509	$ 537,887	$ (48,985)	$ 29,743

County Probation	Balance July 1, 2014	Additions	Deductions	Reclassify Cash and Interfund Payable	Balance June 30, 2015
Assets					
Cash and cash equivalents	$ 646	$ 142,251	$ 138,578	$ -	$ 4,319
Liabilities					
Interfund payable	$ -	$ 67,807	$ 67,807	$ -	$ -
Due to others	646	74,444	70,771	-	4,319
Total Liabilities	$ 646	$ 142,251	$ 138,578	$ -	$ 4,319

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Polk County, Georgia
Agency Funds
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For the Year Ended June 30, 2015

Police Seized Property	Balance July 1, 2014	Additions	Deductions	Reclassify Cash and Interfund Payable	Balance June 30, 2015
Assets					
Cash and cash equivalents	$ 103,172	$ 1,017	$ -	$ -	$ 104,189
Liabilities					
Due to others	$ 103,172	$ 1,017	$ -	$ -	$ 104,189

Juvenile Court	Balance July 1, 2014	Additions	Deductions	Reclassify Cash and Interfund Payable	Balance June 30, 2015
Assets					
Cash and cash equivalents	$ 20	$ 3,966	$ 3,691	$ (217)	$ 78
Liabilities					
Interfund payable	$ -	$ 2,731	$ 2,514	$ (217)	$ -
Due to others	20	1,235	1,177	-	78
Total Liabilities	$ 20	$ 3,966	$ 3,691	$ (217)	$ 78

Total	Balance July 1, 2014	Additions	Deductions	Reclassify Cash and Interfund Payable	Balance June 30, 2015
Assets					
Cash and cash equivalents	$ 533,920	$ 34,320,058	$ 34,249,442	$ (105,491)	$ 499,045
Taxes receivable	1,517,399	-	186,163	-	1,331,236
Accounts receivable	11,156	23,084	-	(12,606)	19,272
Intergovernmental receivable	-	58,944	-	(58,944)	-
Total Assets	$ 2,062,475	$ 34,402,086	$ 34,435,605	$ (177,041)	$ 1,849,553
Liabilities					
Interfund payable	$ -	$ 13,596,283	$ 13,419,242	$ (177,041)	$ -
Due to others	2,062,475	20,805,803	21,018,725	-	1,849,553
Total Liabilities	$ 2,062,475	$ 34,402,086	$ 34,437,967	$ (177,041)	$ 1,849,553

The accompanying notes are an integral part of these financial statements.